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Western Mining in the Twentieth Century Series

Eugene David Smith

WORKING ON THE TWENTY-MULE TEAM: LABORER TO VICE PRESIDENT, U.S. BORAX & CHEMICAL CORPORATION, 1941-1989

With an Introduction by
Carl L. Randolph

Interviews Conducted by
Eleanor Swent
in 1991

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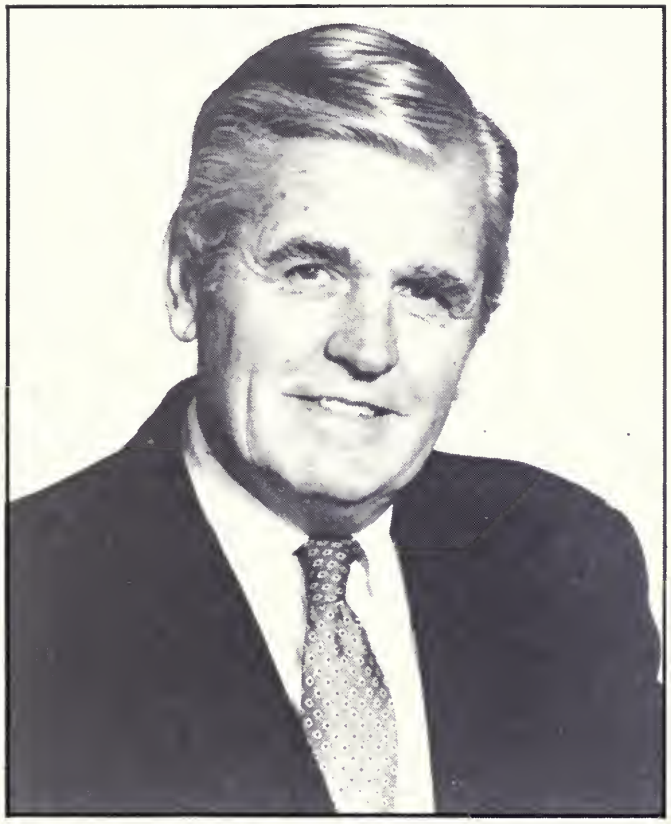

Eugene David Smith, 1982

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Eugene David Smith, "Working on the Twenty-Mule Team: Laborer to Vice President, U.S. Borax & Chemical Corporation, 1941-1989" an oral history conducted in 1991 by Eleanor Swent, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 1993.

Copy no. 1

Cataloging information

SMITH, Eugene (b. 1923) Borax industry executive

Working on the Twenty-Mule Team: Laborer to Vice President, U.S. Borax & Chemical Corporation, 1941-1989, 1993, xiv, 77 pp.

Childhood, Boron and Lancaster, California; World War II, Air Corps Signal Corps in China; Colorado School of Mines, 1952; laborer to vice president for government affairs, U.S. Borax & Chemical Corporation; successful efforts to have Alaska National Interest Lands Conservation Act of 1980 make an exception for Quartz Hill molybdenum project; defending mineral resource development in Southeast Alaska and California desert.

Introduction by Carl Randolph, President, retired, U.S. Borax & Chemical Corporation.

Interviewed in 1991 by Eleanor Swent for Western Mining in the Twentieth Century Oral History Series. The Regional Oral History Office, The Bancroft Library, University of California, Berkeley.

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PREFACE

The oral history series on Western Mining in the Twentieth Century documents the lives of leaders in mining, metallurgy, geology, education in the earth and materials sciences, mining law, and the pertinent government bodies. The field includes metal, non-metal, and industrial minerals, but not petroleum.

Mining has changed greatly in this century: in the technology and technical education; in the organization of corporations; in the perception of the national strategic importance of minerals; in the labor movement; and in consideration of health and environmental effects of mining.

The idea of an oral history series to document these developments in twentieth century mining had been on the drawing board of the Regional Oral History Office for more than twenty years. The project finally got underway on January 25, 1986, when Mrs. Willa Baum, Mr. and Mrs. Philip Bradley, Professor and Mrs. Douglas Fuerstenau, Mr. and Mrs. Clifford Heimbucher, Mrs. Donald McLaughlin, and Mr. and Mrs. Langan Swent met at the Swent home to plan the project, and Professor Fuerstenau agreed to serve as Principal Investigator.

An advisory committee was selected which included representatives from the materials science and mineral engineering faculty and a professor of history of science at the University of California at Berkeley; a professor emeritus of history from the California Institute of Technology; and executives of mining companies.

We note with much regret the death of two members of the original advisory committee, both of whom were very much interested in the project. Rodman Paul, Professor Emeritus of History, California Institute of Technology, sent a hand-written note of encouragement just a few weeks before his death from cancer. Charles Meyer, Professor Emeritus of Geology, University of California at Berkeley, was not only an advisor but was also on the list of people to be interviewed, because of the significance of his recognition of the importance of plate tectonics in the genesis of copper deposits. His death in 1987 ended both roles.

Thanks are due to other members of the advisory committee who have helped in selecting interviewees, suggesting research topics, and raising funds.

Unfortunately, by the time the project was organized several of the original list of interviewees were no longer available and others were in failing health; therefore, arrangements for interviews were begun even without established funding.

The project was presented to the San Francisco section of the American Institute of Mining, Metallurgical, and Petroleum Engineers (AIME) on "Old-timers Night," March 10, 1986, when Philip Read Bradley, Jr., was the speaker. This section and the Southern California section provided initial funding and organizational sponsorship.

The Northern and Southern California sections of the Woman's Auxiliary to the AIME (WAAIME), the California Mining Association, and the Mining and Metallurgical Society of America (MMSA) were early supporters. Several alumni of the University of California College of Engineering donated in response to a letter from Professor James Evans, the chairman of the Department of Materials Science and Mineral Engineering. Other individual and corporate donors are listed in the volumes. The project is ongoing, and funds continue to be sought.

Some members of the AIME, WAAIME, and MMSA have been particularly helpful: Ray Beebe, Katherine Bradley, Henry Colen, Ward Downey, David Huggins, John Kiely, Noel Kirshenbaum, and Cole McFarland.

The first five interviewees were all born in 1904 or earlier. Horace Albright, mining lawyer and president of United States Potash Company, was ninety-six years old when interviewed. Although brief, this interview will add another dimension to the many publications about a man known primarily as a conservationist.

James Boyd was director of the industry division of the military government of Germany after World War II, director of the U.S. Bureau of Mines, dean of the Colorado School of Mines, vice president of Kennecott Copper Corporation, president of Copper Range, and executive director of the National Commission on Materials Policy. He had reviewed the transcript of his lengthy oral history just before his death in November, 1987. In 1990, he was inducted into the National Mining Hall of Fame, Leadville, Colorado.

Philip Bradley, Jr., mining engineer, was a member of the California Mining Board for thirty-two years, most of them as chairman. He also founded the parent organization of the California Mining Association, as well as the Western Governors Mining Advisory Council. His uncle, Frederick Worthen Bradley, who figures in the oral history, was in the first group inducted into the National Mining Hall of Fame, Leadville, Colorado, in 1988.

Frank McQuiston, metallurgist, vice president of Newmont Mining Corporation, died before his oral history was complete; thirteen hours of taped interviews with him were supplemented by three hours with his friend and associate, Robert Shoemaker.

Gordon Oakeshott, geologist, was president of the National Association of Geology Teachers and chief of the California Division of Mines and Geology.

These oral histories establish the framework for the series; subsequent oral histories amplify the basic themes.

Future researchers will turn to these oral histories to learn how decisions were made which led to changes in mining engineering education, corporate structures, and technology, as well as public policy regarding minerals. In addition, the interviews stimulate the deposit, by interviewees and others, of a number of documents, photographs, memoirs, and other materials related to twentieth century mining in the West. This collection is being added to The Bancroft Library's extensive holdings.

The Regional Oral History Office is under the direction of Willa Baum, division head, and under the administrative direction of The Bancroft Library.

Interviews were conducted by Malca Chall and Eleanor Swent.

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Western Mining in the Twentieth
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October 1990
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Western Mining in the Twentieth Century Oral History Series
Interviews Completed, January 1993

Horace Albright, Mining Lawyer and Executive, U.S. Potash Company, U.S. Borax, 1933-1962, 1989

Samuel S. Arentz, Jr., Mining Engineer, Consultant, and Entrepreneur in Nevada and Utah, 1934-1992, 1993

James Boyd, Minerals and Critical Materials Management: Military and Government Administrator and Mining Executive, 1941-1987, 1988

Philip Read Bradley, Jr., A Mining Engineer in Alaska, Canada, the Western United States, Latin America, and Southeast Asia, 1988

Catherine C. Campbell, Ian and Catherine Campbell, Geologists: Teaching, Government Service, Editing, 1989

James T. Curry, Sr., Metallurgist for Empire Star Mine and Newmont Exploration, 1932-1955; Plant Manager for Calaveras Cement Company, 1956-1975, 1990

J. Ward Downey, Mining and Construction Engineer, Industrial Management Consultant, 1936 to the 1990s, 1992

Hedley S. "Pete" Fowler, Mining Engineer in the Americas, India, and Africa, 1933-1983, 1992

James Mack Gerstley, Executive, U.S. Borax & Chemical Corporation; Trustee, Pomona College; Civic Leader, San Francisco Asian Art Museum, 1991

John F. Havard, Mining Engineer and Executive, 1935-1981, 1992

George Heikes, Mining Geologist on Four Continents, 1924-1974, 1992

Helen R. Henshaw, Recollections of Life with Paul Henshaw: Latin America, Homestake Mining Company, 1988

Lewis L. Huelsdonk, Manager of Gold and Chrome Mines, Spokesman for Gold Mining, 1935-1974, 1988

Arthur I. Johnson, Mining and Metallurgical Engineer in the Black Hills: Pegmatites and Rare Minerals, 1922 to the 1990s, 1990

Evan Just, Geologist: Engineering and Mining Journal, Marshall Plan, Cyprus Mines Corporation, and Stanford University, 1922-1980, 1989

Plato Malozemoff, A Life in Mining: Siberia to Chairman of Newmont Mining Corporation, 1909-1985, 1990

James and Malcolm McPherson, Brothers in Mining, 1992

Frank Woods McQuiston, Jr., Metallurgist for Newmont Mining Corporation and U.S. Atomic Energy Commission, 1934-1982, 1989

Gordon B. Oakeshott, The California Division of Mines and Geology, 1948-1974, 1988

Vincent D. Perry, A Half Century as Mining and Exploration Geologist with the Anaconda Company, 1991

Carl Randolph, Research Manager to President, U.S. Borax & Chemical Corporation, 1957-1986, 1992

John Reed, Pioneer in Applied Rock Mechanics, Braden Mine, Chile, 1944-1950; St.Joseph Lead Company, 1955-1960; Colorado School of Mines, 1960-1972, 1993

Joseph Rosenblatt, EIMCO, Pioneer in Underground Mining Machinery and Process Equipment, 1926-1963, 1992

Eugene David Smith, Working on the Twenty-Mule Team; Laborer to Vice President, U.S. Borax & Chemical Corporation, 1941-1989, 1993

James V. Thompson, Mining and Metallurgical Engineer; the Philippine Islands; Dorr, Humphreys, Kaiser Engineers Companies; 1940-1990s, 1992

Interviews In Process

Donald Dickey (Oriental Mine), in process

James Jensen (metallurgy), in process

Robert Kendall (U.S. Borax), in process

John Livermore (geologist), in process

Langan Swent (San Luis, Homestake, uranium mining), in process

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INTRODUCTION--by Carl L. Randolph

Few companies have lived the legend of the Old West to the degree that U.S. Borax and its predecessors have. Few corporate logos conjure up the dust and the grit and the spirit of early days in California in the same way that the Twenty Mule Team does. Only the Wells Fargo stagecoach comes close.

That spirit of the Old West has always been one of the fascinations of the company to me. Even when I was a child the melancholy bugle call of "Death Valley Days" on the Atwater-Kent was a signal to stop to listen to stories of high adventure and personal courage.

The earliest of the Borax pioneers are of course legendary: W.T. Coleman, Borax Smith, and Aaron Winters, whose prophetic "she burns green" started the epoch of Death Valley borate mining.

At the time that I joined the company there were still a few post-retirement-age men cast from that early mold around. Harry Gower, responsible for the construction of the Furnace Creek Inn during many years in Death Valley, and Harold "Nix" Knight, veteran of a lonely vigil at Searles Lake during an unsuccessful early attempt to extract borax from the lake brines, added dimension to the historical facts in their stories and anecdotes.

Gene Smith is the heir to this line of latter day pioneers. Growing up in the town of Boron in the Depression years of the 1930s he saw the Old West as few occupants of the executive suite have.

Gene and his identical twin brother Tommy knew Boron when it was a small remote "company town," before freeways and before the open pit mine replaced the underground workings. The influence of this rough and tumble community of miners and Dust Bowl transients must have contributed to the makeup of Gene Smith's "true grit" personality.

If it had not been for World War II, Gene might still live in Boron, as many of his high school classmates do to this day. But with a degree in mining engineering following service in the Army Air Corps, Gene was equipped for broader things. His career from laborer to corporate vice president is the subject of this oral history.

My first acquaintance with Gene Smith was during his assignment to the corporate Land Department. The life blood of a mining company is its mineral leases. These require constant careful attention to see that fees are paid on schedule, annual maintenance work is performed, and files are kept in an orderly fashion.

I realized after a period of time that Gene was the heart of the Land Department, doing most of the careful recording of leases and permits under the eye of his boss, a lovable roly-poly little man named J.P. Smith (no relation).

In time Gene succeeded to head the Land Department on J.P.'s retirement, and was then reporting to me in my role as Assistant to the President.

Throughout the remainder of my years with the company, Gene and I worked closely together as we both moved through the corporate hierarchy. Much of that time we were a two-man team dealing with the political aspects of the company's environmental matters. As a result I came to realize that his was a unique and necessary talent that we were most fortunate to have with us.

Gene is persistent. I first saw this facet of his personality in the Land Department days. He recognized early that as our mineral programs expanded, his department would be hard pressed to keep pace with the geologists in the field, and he continually pressed for additional staff help. He never gave up despite countless turn-downs, leaving with a smile but coming back with additional arguments to strengthen his case. Ultimately, of course, persistence won. This trait was to stand us in good stead years later.

Gene is tireless in the line of duty. While this was always evident to his other associates, I saw it first hand after Gene became Manager of Environmental Affairs. When we returned home after an exhausting week of work in Washington, D.C., the airplane was barely airborne before Gene had yellow pad and pen out, recording in detail the results of the trip and his plans for the next encounters.

Gene believes passionately in the worth of mining and mineral extraction for the benefit of mankind. His early days in Boron, his background as a mining engineer, and his many years in Death Valley combined to make him an eloquent and thoughtful spokesman for the industry in a time when environmental extremists sought to forestall all extractive industry.

When Congress passed the Alaska National Interest Lands Conservation Act, there was a specific provision for a U.S. Borax enclave in the Tongass National Forest for our Quartz Hill molybdenum property. To me, the events leading up to this inclusion represented Gene Smith's finest hour.

All of the traits that make Gene the unusual man that he is were called into play in the development of the language that became law. Day after day Gene sat across the table from the Sierra Club's most

aggressive and difficult negotiators, working toward language that the company and the environmental lobby would accept.

I cannot describe the intensity of feeling that surrounded these negotiations. It was as though the forces of good and evil were pitted against one another, and the situation was exacerbated by extreme pressure from legislative staffers to meet committee deadlines. But Gene held fast on critical issues, sustained by his belief in the rightness of his cause.

In the end he achieved what many of us thought was impossible, and the clear language of the law stands as a tribute to one man's "true grit."

Gene is retired now, to the slower pace of an occasional game of golf or working on his spacious home which faces across the valley towards Los Angeles from the Glendale Hills. His wife Barbara has also retired from work as a nurse with the Red Cross blood bank, and their son Jeff is out of the nest and launched on a career.

I am sure that as Gene looks out across the metropolis below him he sees from time to time not busy streets and houses, but in his mind's eye dust rising from a distant trail across the flat expanse of the California desert, and for a moment glimpses an era irretrievably gone.

Carl L. Randolph
President (retired), U.S. Borax &
Chemical Corporation

November 1992
Anacortes, Washington

INTERVIEW HISTORY--Eugene Smith

Eugene Smith was selected for participation in the oral history series on Western Mining in the Twentieth Century because of his significant role as an employee of U. S. Borax & Chemical Corporation for forty-eight years, beginning as a laborer on weekends as a high school student, and culminating as vice president for government and public affairs. His father and his twin brother also worked for the same company, which has for its symbol the twenty-mule teams crossing Death Valley.

The company, under its various names, is distinguished by its corporate sense of history and the longevity of its employees. Nationwide, American employees spend 2.6 years with one employer; U.S. Borax's employees average fifteen years. In 1968, U.S. Borax merged with the giant international corporation RTZ [Rio Tinto Zinc], with origins in Spanish mines dating back to Phoenician times.

U.S. Borax was one of the first corporations to support the oral history series on Western Mining in the Twentieth Century with an annual donation. Even before the series was organized, the first interview was with Horace Albright, then ninety-six years old, retired president of U.S. Potash Company, which merged with Pacific Coast Borax to form U.S. Borax. James Boyd, whose oral history was fourth in the series, was the son of "Captain" Julian Boyd, superintendent of the Pacific Coast Borax mines at Ryan. The oral history of James M. Gerstley, first president of U. S. Borax, entitled Executive, U. S. Borax & Chemical Corporation; Trustee, Pomona College; Civic Leader, San Francisco Asian Art Museum, was completed in 1990. It was followed by that of Carl Randolph, Research Manager to President, United States Borax & Chemical Corporation, 1957-1986.

Eugene Smith brings to the U. S. Borax story a special perspective. His parents came from Glasgow, Scotland, and because of the Depression moved to the Mojave desert to find employment. Memories of that time led to the feelings of loyalty and gratitude to the company which are expressed in the oral history.

Eugene Smith served in the Signal Corps during World War II, and tells of flying "over the Hump" from Burma to China, where he spent time in Kunming. After returning to work as a laborer at Boron, he took advantage of the G.I. Bill and attended Colorado School of Mines, graduating as a mining engineer in 1952. He went back to work for U.S. Borax, managed some small colemanite mine operations in and near Death Valley, and later became manager of the land department.

In this capacity, he was actively involved in the controversy over development of a molybdenum mine at Quartz Hill in southeast Alaska, and the struggle to influence the Alaska National Interest Lands Conservation Act, passed in 1980. He gives an inside view of the partially successful efforts to defend mining interests against environmentalists both in Alaska and in the California desert. As manager for environmental affairs and later as vice president for government and public affairs, he has been a strong advocate for the national interest in maintaining adequate mineral reserves. He also helped to organize the California Mining Association, and has been a spokesman for the state mineral industry during years when it has been beleaguered by opposing interests. His oral history is valuable for its forthright expression of this viewpoint.

The three oral histories of U.S. Borax personnel were facilitated by U. S. Borax President Ian White-Thomson and Vice President Clay Lorah. My research was aided by a tour of the mine and processing plant at Boron, where Dave Wheeler, Elgian Hurley, Jim Minette, Richard Walpole, and Frank Gonzales were very helpful. The state-of-the-art, emission-free mine and processing plant are a technological triumph as impressive in its way as the work going on at neighboring Edwards Air Base.

I had known Gene Smith for a number of years through the California Mining Association connection, so the interviews with him were a personal pleasure. A letter inviting him to be interviewed was sent on 7 December 1990. We met for the interviews on 6 and 7 March 1991, at his beautiful home on aptly named Wonderview Drive, overlooking Glendale and Pasadena.

Mr. Smith had prepared well for the interviews, with notes at hand and some statements written out. When the transcript was sent to him for review, he made few changes and returned it very promptly.

The introduction is by Dr. Carl L. Randolph, retired president of U.S. Borax, and a long-time colleague of Eugene Smith.

The tapes of the interview are available for study at The Bancroft Library.

Eleanor Swent, Project Director
Western Mining in the Twentieth
Century series

July 1992
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BIOGRAPHICAL INFORMATION

(Please write clearly. Use black ink.)

Your full name Eugene David Smith

Date of birth Aug. 17, 1923 Birthplace Glendale, Calif.

Father's full name Thomas Smith

Occupation Plumber / Pipe fitter Birthplace Glasgow, Scotland

Mother's full name Jane Robertson

Occupation Housewife Birthplace Jarrow, England

Your spouse Barbara R. Smith

Your children Jeffrey E. Smith

Where did you grow up? Glendale / Boron, Calif.

Present community Glendale, Calif.

Education Engineer of Mines, Colorado School of Mines, Golden, Colorado.

Occupation(s) Retired

Areas of expertise Mining, mining law, land acquisition, environmental, public and Governmental affairs.

Other interests or activities

Organizations in which you are active None, presently.

I GROWING UP AT BORON

[Interview 1: March 6, 1991]##[1]

Swent: Do you want to just begin with where you were born and when, and a little bit about your childhood and your family?

Smith: I was born on August 17, 1923, in Glendale, California.

Swent: Today we are at your home in Glendale, so you've come full circle.

Smith: Yes, in a way. That was sort of by accident more than it was by purpose. But when I was ten, my father sought work at Boron, California.

Parents

Swent: You said your parents were both from the British Isles.

Smith: Yes, from Glasgow, Scotland.

Swent: Was your father involved in mining in Scotland?

Smith: No, he wasn't. He worked for the Glasgow Metropolitan Water Department while there.

Swent: What sort of work, do you know?

Smith: He started out, I think, working in the construction and repair of the water systems in the city of Glasgow and advanced up into some sort of an office job with the department at the time they decided to come to California.

---

[1]This symbol (##) indicates that a tape or a segment of a tape has begun or ended. For a guide to the tapes see page 75.

Swent: And why did they come?

Smith: My father was gassed in the first World War, and as a result, the climate in Glasgow, Scotland, bothered him quite a bit. Doctors recommended that he seek a drier climate, so they came to California.

Swent: Did they have anybody here?

Smith: Yes, my mother had a sister living in Glendale, and that's why they ended up in Glendale.

Swent: And then the Depression hit.

Smith: Yes, a few years after that, right. My father was seeking work. At the time, my mother's sister's husband had gone to work at Boron for what was then the Pacific Coast Borax Company and predecessor of U.S. Borax. So my father realized there was work up there, and they went there to work and stayed.

In those days, some people worked on a temporary basis. They were called rustlers. They would all stay at one particular spot in the mornings, and there was an order, kind of a seniority of the people who had been there the longest. People would come out and hire the fellows with the most seniority. When my father retired after twenty years with the company, he said he never was told he was put on permanent. He just gradually obtained a permanent job.

Swent: Do you have any idea what the pay scales were in those days?

Smith: No, I don't. It wasn't very much, I know that.

Boron in 1933

Swent: What was Boron like at that time? Was it called Boron?

Smith: There wasn't really a Boron in those early days. This, of course, was in 1933. At that time there were two small underground mining operations at Boron. If I can refer to my notes, I can tell you that the company's production was not quite 200,000 tons per year, but it was valued at $3.5 million, which was significant. Most of the people there--most of the workers, I should say--boarded at the mine. A lot of single men. Most of the family men boarded there too and went home on weekends to various places.

Swent: The mining company provided a boarding house?

Smith: Yes, they had bunk houses and a kitchen. There were only a few families in the area at that particular time. I might say that coming from Glasgow, a very wet climate, lots of green lush countryside and hills, my mother and father really didn't pick Boron by choice and always missed their homeland. In fact, when we moved there, we lived in a two-room house that was located several miles west of the mine. Its only accommodations--what you might say were accommodations--was a windmill. So it was a harsh comedown for them, but it was a necessity because of the Depression years.

My father liked the fact that the company supplied work and he could provide food and shelter and clothing for his family. That was important in those days. Something I think many of the young people today don't realize is how important work is, how important the basic necessities are. I find that most people don't realize that all the national parks and the wilderness areas that we enjoy today, we enjoy because we have an economy that allows us to enjoy them. There were many times when people could only afford the basic necessities of food and shelter. I think the young people forget that it takes an economy to provide the luxuries of parks, monuments, wilderness areas, those sort of things.

But getting back to Boron, I should say that--

Swent: I'd like to ask another question. There were just the two of you in the family, you and your brother?

Smith: No, I had a sister too, but she was older. My sister was born before World War I and my brother and I were born after it, so there was quite a difference in our ages.

Swent: Twin boys?

Smith: Right, correct. My brother and I were born in Glendale just a few days after my mother and father arrived in Glendale, so you know the trip wasn't really planned.

Swent: So there were five of you out there in Boron, then?

Smith: Actually, no. My sister was married at that time. She and her husband later did come to Boron to seek employment as well.

Swent: Where did your mother buy groceries?

Smith: At the time, the mine had a small store, later enlarged, and they had the accommodations for the single men, but it really wasn't a

company town. Most people went to places like Mojave and Barstow and Lancaster, and sometimes even San Bernardino or places farther, to buy their groceries because it was more economical to make those trips and buy what you needed for a week or so or something like that.

School

Swent: There was a school?

Smith: Yes, there was a one-room schoolhouse which my brother and I attended.

Swent: How many students were there?

Smith: I don't remember. I'm sort of guessing there must have been about maybe thirty students at that time, in 1933.

Swent: In eight grades?

Smith: Yes, eight grades. One teacher. One room. Later they had a second teacher.

Swent: How do you feel about that schooling?

Smith: I thought the teacher did a remarkable job, considering she had all those students to control and we were not the best controlled students. I think most of the boys got paddled about once a day, but she did very well. My education was not a fault of the teacher, it was a fault of my lack of interest in those early days.

Swent: Were most of the other students also the children of Boron employees?

Smith: Yes. All of them were except one. She was the daughter of a cattleman who ran cattle in the area.

Swent: And then for high school?

Smith: For high school I think the original students in that school, the high school students, probably lived in Lancaster. I know the schoolteacher had some older daughters who lived in Lancaster and went to high school there. Some time before I attended high school they started having a bus come from Lancaster. My brother and I rode the bus every day to Lancaster to attend high school.

Swent: And how far was that?

Smith: It was 114 miles round trip every day. I think we left home around seven-thirty in the morning and caught the bus at that time and got home about five-thirty in the evening.

Swent: I don't suppose you did too many things outside school, then.

Smith: Yes, my brother and I played sports in high school and made trips and that sort of thing. It was difficult to attend a lot of activities, but I would say the majority of students attending Antelope Valley High School lived some distance from the school, most of them lived on the various farms in and around Lancaster. We weren't the only students who were traveling a great distance.

Edwards Air Force Base

Swent: Did Edwards Air Force Base exist at that time?

Smith: Not initially, not in 1933. I think it must have been somewhere around 1935 or maybe a little after that, that March Air Force Base established a small base on the dry lake at Muroc. They used the dry lake for their planes and they used the base primarily for bombing and strafing runs of targets in the desert area.

By 1941 or '42, they expanded Edwards quite a bit for training, for the pilots for World War II. It wasn't until, I think, after World War II that they expanded Edwards into the research center that it is today.

Swent: Was there any influence on you? Were you aware of all this?

Smith: You mean the research activities?

Swent: Just the general awareness of the air base.

Smith: Yes, we knew it was there.

Swent: Was it exciting to young boys?

Smith: Sure. Airplanes and that sort of thing were exciting to boys. In fact, my brother and I both wanted to join the Air Force, and we did actually get assigned, but at that time there was a surplus of air cadets and pilots. This was in probably, oh, the early part of 1943. So our orders were cancelled and we were assigned to the Signal Corps.

Swent: This is just after you graduated from high school?

Smith: Yes, right.

Swent: What about the impact of the war in this area?

Smith: It had an impact as far as the employees available to work at Boron were concerned. There was a scarcity of employees, and as a result of that my brother and I both worked at Boron while going to high school, on weekends.

Swent: What sort of job?

Smith: Just labor jobs.

Swent: Specifically what?

Smith: We would do various types of labor. Hand-mucking out some of what they used to call the crystal tanks, recovering borate ore by shovel for processing, and doing other types of manual labor in the plant. We did clean-up, handling materials and that sort of thing.

Swent: What were you learning from this?

Smith: Not a great deal other than how to do manual labor, which was not new to my brother and me because we had helped my father build his own house and had done a lot of that sort of thing, so it wasn't really a new experience for us. We knew what work was and we knew how to do it.

Swent: When did you graduate from high school?

Smith: In 1942.

World War II; Air Force Signal Corps

Swent: Did you go into the army right from high school?

Smith: No, no, we did not. It was a few months later we went.

Swent: "We" meaning you and your brother?

Smith: Yes.

Swent: Tom was his name?

Smith: Yes, Tom. We went in the service in February of '43.

Swent: Did you go in the service together also?

Smith: Yes, we stayed together the whole time.

Swent: And you were in the Signal Corps.

Smith: Yes, attached to the Air Force. Served in the United States in Fresno, and then went overseas initially to India--northern Assam, really. Then later down in southern Assam. While in India, for a good part of the time we were with what was called the 3rd Combat Cargo Group, which was flying supplies from India to the British 8th Army fighting in Burma. When the British 8th Army had taken over most of Burma and the Japanese had retreated, the war sort of concentrated over in China, and my brother and I were transferred out of the outfit we were in to the 14th Air Force in Kunming, China.

Swent: How did you get there?

Smith: We flew over the Hump.

Swent: What kind of plane?

Smith: I think it was called a Curtis C-46.

Swent: That must have been quite an adventure.

Smith: Flying out? Well, you're just sitting in the airplane the whole time. If nothing happens, it's--. [laughter] The only instructions they gave you, I think if you had to bail out before two hours, I think you were supposed to walk west. If you bailed out after that you walk east. The Hump was pretty rugged country and I don't think too many people walked out of there.

Swent: So then you were in Kunming for a while?

Smith: Yes. I forget how long that was, really, but I was overseas for eighteen months altogether. About six months, I think, in China. We were in Kunming, my brother and I, when the Japanese surrendered. Kunming is located in Yunnan Province, which is high in the interior of China, and it was controlled by a Chinese warlord who had his own army. If I remember correctly, he was Communist inclined. It was pretty well known that that warlord was going to be fighting Chiang Kai-Shek after the war, and that really China was waiting for this war to end so it could conduct its own

civil war. It was pretty well known by the people that were over there.

So when the war ended, this warlord tried to take over Kunming Air Base and its supplies. The situation was rather tense for several days because when you arrived in China your rifle was taken away from you. The Chinese would steal them. So we had no way of protecting ourselves. But we were moved to a place called Yankai, China, within a few days after this and were processed there for transportation back to the United States. I might say, as we left Kunming Air Base, this warlord had his artillery in place and we drove right through the gun placements to catch an airplane to fly to Calcutta, India, where we spent several weeks waiting for a boat back to the United States.

Swent: That's quite an experience.

Smith: Nothing really that exciting happened to us. To my knowledge, no one ever shot at us or anything.

Swent: You must have learned quite a bit from it, though.

Smith: Well, yes, it was quite an experience and something I, and my brother too, both wanted to do. In those days there weren't too many people who wanted to avoid military service like there were in subsequent years. I think in those days, I know I certainly felt like it's an obligation you had to perform. And of course when we came back from the service, it was quite natural to go back to work at Boron.

Postwar Work at Pacific Coast Borax

Swent: What kind of work were you doing then?

Smith: It was common labor again, and then I had various jobs: truck driver and driller's helper and electrician's helper. In those days at Boron, the operations fluctuated so that you had cutbacks in production and you'd be bumped back from electrician's helper to some other lesser job. I ended up in the sack room for about six months. That was loading hundred-pound sacks of product in a boxcar. You get used to the work. It's tough work, but you get used to doing it. It's the monotony. I looked around at some of the people who had been doing this for years, and I thought that I should go to school.

Swent: You were actually just picking up sacks and putting them in a boxcar?

Smith: Correct.

Swent: Did you fill them also?

Smith: Yes, at various times, but that was a different job.

Swent: This was just picking them up and loading them?

Smith: Yes, two men in a boxcar. They would deliver the sacks to the boxcar and then you stack them in the boxcar. That's all you had to know. It was just manual labor and no thought process.

Company Support for the GI Bill[1]

Swent: You didn't want a lifetime doing that.

Smith: No, it convinced me I should get an education. A friend of mine that was going to the Colorado School of Mines and was back on holidays suggested I go there. Interestingly enough, when I was in high school I was interested in going to the Colorado School of Mines, but after the war years I thought, "That's not really a real possibility." But I talked to the company and the union, and they put together an arrangement at my suggestion that any employee who wanted to get an education on his GI bill--and there were a lot of veterans there at that time--could take a leave of absence from the company without losing their seniority to do so, which was quite an advantage to those people because many of them had families and you never really knew whether you were going to be able to see it all through. Many of them had seniority from the early part of the war, and they didn't want to lose that. I think a number of the employees took advantage of the program. I did, and as a result, that's why I have so much seniority today. While I was in school, my seniority was accumulating for me.

Swent: And while you were in the service it also accumulated?

Smith: Yes, right.

Swent: Was the union receptive to this idea?

Smith: Yes, very much so.

Swent: And the company also?

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[1] GI bill, federal legislation which provided educational benefits for veterans of military service.

Smith: Yes. There was no opposition that I know of, really. I suggested it to the union, and the union thought it was a good idea. Many of its members did, so they talked to the company about it and they seemed to be quite agreeable.

Swent: This is a good time for us to mention your service with the company. You've had the longest years of service of just about anybody that ever worked for the company, is that so?

Smith: No, not really. There were a number of people when I first moved to the company's offices in Los Angeles. I shouldn't say "a number." There were several very old-time employees. There was one gentleman, Horace E. Cooley, with the company at that time who I think had fifty years with the company. He had started as an office boy in London. I think he had spent some time in South America, with the South American operations, and then came to Los Angeles. And of course, Harry Gower had a number of years himself. I forget his total, but it had to be close to fifty years for the company.

Swent: How many did you have, total?

Smith: A little over forty-seven.

Swent: Starting at--

Smith: --1942, part time.

Swent: That's a long time with one company.

Smith: Yes, it is.

Company Help with Housing

Smith: You were asking what Boron was like in those early days, and I mentioned that they had the boarding facilities for the employees and that sort of thing. They had the company store. Most of the people there built their own homes, and as families moved in they would build homes and live in Boron, but there wasn't really any community. In later years the company did help financially a developer build a subdivision there called Desert Lake to provide better homes for the employees who wanted them.

Swent: How did you go about buying land for a home like this?

Smith: The company owned it and deeded that land over to this developer, at a reasonable consideration, and financially assisted him in that way. They also, subsequent to that, built a better subdivision of maybe about a dozen houses for some of the employees. But it never really was a company town. That's the point I'm really trying to make here. There were a number of mining camps where you had company towns, but that wasn't the case of Boron at all.

Boron, Not a Company Town

Swent: Were there any businesses that came in then?

Smith: Yes, there were grocery stores and gas stations and bars and that sort of thing, you know. During the early days at Boron, in 1933, there really were only three places of business in close to the present town of Boron. One was a little gas station and grocery store. The other place (this was during Prohibition, of course) had bootleg booze and gambling and girls. Another place just had girls--sporting houses. There was another fellow who used to make home brew in his home. That was about the size of it. The only real places that had any sort of other accomodations were Mojave and Lancaster and Barstow. But Mojave was thirty miles by dirt road, you know, west, and Barstow was forty miles of dirt road to the east. Only a few cars a day would use that road, other than local traffic, so it was a pretty remote area. It was damn hot in the summertime and very cold in the wintertime. The only people around were the miners, some cattlemen, some bootleggers--there were quite a few bootleggers in and around the area--and, of course, the other little establishments.

Swent: You mentioned PTA dances.

Smith: Yes, they used to hold those in the one-room schoolhouse initially, and then later the company built a recreation hall at the mine which was used for PTA dances and other types of entertainment, movies once a week, that sort of thing. And they had a pool hall for the miners and other people, and it sold cold draft beer. That was a favorite spot for most of the people.

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Swent: And softball, or baseball?

Smith: That was a favorite summer activity. The company had a very outstanding pitcher, so they pretty well dominated their league.

My brother and I played on that team from about the age of sixteen. I played on it after the war until I left for college.

Swent: This was a company-sponsored team?

Smith: Yes, correct.

Swent: What were you called?

Smith: It was called the Twenty-Mule Team. [laughter]

Swent: Everything is twenty mules, isn't it?

Smith: Right.

Swent: They're very proud of that.

Were they still mining at that time up in the Death Valley area also?

Smith: No, not at that time.

II COLORADO SCHOOL OF MINES, 1948-1952

Swent: We can move on to the Colorado School of Mines, then, and what you studied there.

Smith: Sure. I studied mining engineering and graduated with a degree of Engineer of Mines, which is somewhere between a bachelor of science and a master's degree because it took 210 semester hours of work to complete. It was a tough school and it was very rough for me because I'd been out of high school a long time and had one semester at junior college before going.

Swent: Where was that?

Smith: Antelope Valley Junior College. I did that to get some preparatory work for going to Mines, but it wasn't really adequate to prepare me for the Colorado School of Mines, which is a tough school. I just wasn't ready. So the first year was very difficult for me. I remember at one point I was ready to leave. That was starting my freshman year, because I'd gone to summer school there. I ran into one of the profs I'd had who I liked very much during summer school.

Swent: What was his name?

Smith: It was Clark. William Clark. He asked me why I had not appeared at the freshman orientation. I said, "I think I know my way around the school. Besides, I think I'm going to go home. I'm not really cut out to do this."

He said, "You had a tough time early in the class but you were catching on, and you passed. Gene, don't leave until they ask you to leave."

I said, "That makes good sense." So I stayed. By the time I had gotten to the middle of my junior year I knew that I wasn't going to have any problems. In fact, even though I had a difficult time in my freshman year and it was a struggle in my sophomore year, I realized I was doing a lot better than a lot of young high

school kids who weren't concentrating on their work, very capable young kids, but lacked the will to really stick to it.

Swent: They hadn't loaded boxcars with hundred-pound bags.

Smith: They thought college should be all fun and no study. And when I finally graduated, I graduated with a B average, which was quite an accomplishment.

Swent: Your brother chose not to go?

Smith: No, he got married shortly after coming back from the service, so he stayed at Boron.

Swent: So you were doing this all alone.

Smith: Yes, that's right.

Swent: Did you work summers?

Smith: Yes, I did. I came back each summer and worked part time at Boron.

Swent: Who were some of your other teachers? Were there any that you particularly remember?

Smith: A fellow named George Heim who later went to work for, I think it was Simplot. This was up in the phosphate areas. I don't know that I could point to anyone in particular. Most of the instructors were very good. A few of them were not, like in any school, I guess. But they all seemed to fully appreciate the load all the students were taking, because generally you carried around twenty-one or twenty-two semester hours per semester. That includes a lot of lab work.

Swent: That's a heavy load, isn't it? Did this prepare you for what you ended up doing later?

Smith: Well, yes. I think it was a good learning period.

III MINING ENGINEER FOR PACIFIC COAST BORAX

Swent: I'm thinking of your legislative and environmental work later. Was it connected to your college experience?

Smith: No. It's odd how these things work out, really. Of course, when I came back to Boron and went to work, I was working for the mine superintendent, taking care of the various mine department records as well as carrying out special assignments. I might say that that was a great experience for me because I was working with some really fine gentlemen.

Working with Fine Gentlemen

Swent: Would you like to name some of them?

Smith: Right. There was Bill Wamsley, who was mine superintendent. There was a gentleman named Pete Conte, who was the mine foreman, or assistant mine superintendent, I guess it was. And then there was a fellow named "Biff" Smith, who was the mine foreman. And it's interesting to mention that Biff Smith's proper name is Francis Marion Smith.

Swent: That's appropriate.

Smith: Right. It is, yes, although he's not related to the Francis Marion Smith who founded the Pacific Coast Borax Company, and of course, nor am I.

Swent: Do you suppose his mother named him for Borax Smith?

Smith: I don't know, and I don't think he really knew. I think Francis Marion is a famous name in the South. I'm not sure who in the South it was, whether a Southern general or what, but it is a well-known name. I think I knew once but I've forgotten who it was.

You were mentioning Death Valley, and I might mention that it was a special assignment that Bill Wamsley gave me that took me to Death Valley for the first time.

Swent: Had you ever been there before?

Smith: No, I had not. Myself and two experienced miners, a fellow by the name of Pete Judd, and a Gene English, were sent up to Death Valley to help mine colemanite at the Corkscrew Mine. It was there I first met Harry Gower. Because Harry was manager of the land and exploration department for the company in Los Angeles, he had the responsibility for running these small, intermittent borate operations in Death Valley. I don't really think there had been any production in Death Valley to any extent prior to that time. If there was, it was maybe a few tons per year or something like that.

Swent: You mean since the original.

Smith: Yes, since '27. I'm not sure exactly when they moved out of Ryan, but it was probably in around 1927.

Swent: And why did they move?

Smith: They moved to Boron because they discovered borax in 1925, and I might mention that Clarence Rasor was the gentleman who supervised the drilling at Boron that found the borax. He is mentioned significantly, I think, in Norman Travis's book, The Tincal Trail. [Travis, N. J. and Cocks, E. J., The Tincal Trail: A History of Borax, Harrap, London, 1984.]

Roy Osborne

Smith: I can't help but mention the fact that when you talk about individuals in the company, I would like to mention Roy Osborne, who was the mine superintendent at Boron from about 1926 to 1948. He's not really mentioned much in any of the literature you read about U.S. Borax, although he was a very significant person, I think, as far as the history of the company is concerned.

Swent: Why do you think he was significant?

Smith: Because he was the man who supervised the development of the Boron operations and was mine superintendent up until 1948.

Swent: It was 1926 to 1948. That's a long span.

Smith: Right.

Swent: And he was superintendent that whole time.

Smith: Yes.

Swent: So you worked for him then?

Smith: Yes, but I didn't know him that well. But I became a very close friend of his wife, who is still living, Grace Osborne, who is a very close friend of Barbara and me, and in fact, she introduced Barbara and me.

Swent: Oh. So that's pretty important.

Smith: Right.

Swent: Did you know any of the other early figures like Fred Corkill?

Smith: I didn't know them, but I would like to mention the fact that I think the paramount issues in Borax's history, I think, are the fact that it had some very, very fine and capable individuals working for the company. A second factor, of course, is that they discovered the Boron ore deposits, which made it very successful. And of course, the people you read about when you read the borax history are Francis Marion Smith and William Coleman. People that I have read about who I know played a significant role in the early Death Valley operations were a fellow named John Ryan, which the camp at Ryan is named after, and a gentleman by the name of Fred Corkill. Fred Corkill's son worked at Boron, and his son worked for the company as marketing manager for a number of years, so there were three generations of Fred Corkills, all who worked for the company at various times.

There is Clarence Rasor, who I mentioned earlier, and also Harry Gower, who I think deserves special mention. I worked for and with Jim Gerstley and Carl Randolph,[1] and know they are worthy candidates for oral histories. I believe Mr. Travis's book The Tincal Trail is the best source of information on the founders and pioneers of the company.

Harry Gower

Swent: Then there was Harry Gower.

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[1]See James M. Gerstley, Executive, U.S. Borax and Chemical Corporation; Trustee, Pomona College; Civic Leader, San Francisco Asian Art Museum, and Carl L. Randolph, Research Manager to President, United States Borax and Chemical Corporation, 1958-1986, Regional Oral History Office, University of California, Berkeley.

Smith: He's the one person I would especially like to mention, because I worked for him for a long time and he became a very close friend. He is an outstanding man who, in my view, demonstrated all the fine qualities of the Pacific Coast Borax Company. He was one of the finest gentlemen I ever met and he would have been the perfect candidate for an oral history. For those interested in Death Valley and the Pacific Coast Borax Company, I recommend Harry Gower's book Fifty Years in Death Valley: Memoirs of a Borax Man [The Death Valley '49ers, Inland Printing, San Bernardino, 1969]. Harry was a great story teller.

He started with Borax in 1909, while attending the University of Southern California and working part time summers, working on the T and T [Tonopah and Tidewater] Railroad in various jobs. And of course, he was the nephew of Frank Jenifer, who was then working for the T and T and later, from 1937 to 1950, was president of the Pacific Coast Borax Company. Later, when he left college, Harry went to work in 1914 on the Death Valley Railroad. That was the railroad that ran from Death Valley Junction to what was called New Ryan, or the Ryan as we know it. The original Ryan was located at the old Lila C. Mine, and after that railroad was completed, Harry stayed on and worked in the Ryan area.

The operations were moved to Boron in 1927, not because of exhaustion of the borates in Death Valley, which I should mention are ulexite and colemanite, as opposed to borax and kernite at Boron, which are sodium borates.

Swent: These are much easier to process.

Smith: Right, and it's a much larger ore deposit, much richer, and of course very close to transportation. After the move to Boron, Harry Gower stayed on at Death Valley to run the custom milling operations at the old borate mill at Death Valley Junction and to supervise the resort properties that were being built, which were called the Furnace Creek Inn and Ranch in Death Valley, which I will be discussing in more detail.

When I went to work at the Corkscrew Mine, I was doing the hand-mucking on night shift, and the other fellows were doing the mining. After I went back to Boron and shortly after that, I was asked by Harry Gower to take over the engineering and supervision of the Death Valley colemanite mining operations, so I did that on a part-time basis. I think that was in February '54. It was there I got to meet another long-time friend, a fellow named Jim Gill, who was mine foreman at the Corkscrew Mine. Jim Gill was an interesting character. He was a good-timing miner who had worked on and off for the company for, I don't know, maybe forty years, something like that. He sort of boomed around, you know, from the various mining jobs in California and Nevada.

Swent: Is this different from a contractor?

Smith: Well, yes. He did contract mining, but when he worked for the company he worked as a salaried employee.

Swent: But he would come and go?

Smith: Yes, right. And it was my work with Harry Gower and Jim Gill that made me aware of the importance of the borate reserves in the Death Valley area.

I worked part time, really. I was really working part time in Death Valley and part time at Boron. In fact, I think I had the feeling that I was spending half my time in Death Valley and half my time in Boron and half my time driving back and forth.

Swent: That's quite a drive. How far is it?

Smith: It's about a three-hour drive. I spent a lot of nights sleeping in a pickup truck between those two places. But I found it very interesting and fun work, because I was able to manage a small mining operation and do all the things that were necessary, decide what had to be done and carry it out and produce a product. It was a lot more fun and rewarding than producing a lot of paper.

Swent: How many were actually working in the mines?

Smith: The crew varied, depending on--. We'd get an order and they would produce that order, and then maybe shut down for a while, but it generally was three or four people, was all it would be.

Swent: A small operation.

Smith: Yes, right. Very small. And then later I supervised the reopening of the Gerstley Mine, which was located near Shoshone, and did that for quite a while. There we had a little bigger crew most of the time. We'd produce the ore and stockpile it, and then we would ship the ore when customers wanted it.

Swent: You were learning the entire operation then.

Smith: That's right. You did everything, really, including ordering all the supplies.

Swent: Good experience.

Smith: It was. It was a lot of fun, really. But it required that you spend a lot of time away from home.

Swent: Yes. You said you were sleeping in the truck? You didn't have a driver who drove?

Smith: No, no. And then, of course, in the later years when I was working at the Gerstley Mine and I was married, of course it meant being away from home quite a bit.

Swent: Were these new operations unionized also?

Smith: No, they were not.

Swent: It sounds like marvelous experience, if you could handle it.

Smith: Well, it was. I had no trouble handling it. It was great.

The Importance of Death Valley Borate Reserves

Smith: But that work out there really convinced me of the importance of the borate reserves in Death Valley. I mention this because borate deposits in the world are unique. There are deposits in Turkey that are comparable to those in the U.S., and there are small deposits in the U.S.S.R., China, Chile, Peru, Bolivia, and Argentina. There are only a couple of really domestic reserves at Searles Lake and at Boron. There is not much production in the Death Valley area, but they are the largest known borate reserves in the U.S.--I emphasize known--of course, other than those at Boron and Searles Lake. So they have significant importance, and that really sort of leads me into the issue of Death Valley.

Swent: Some of these other deposits that you mentioned are also part of the same company. The parent company, Borax Consolidated, has some of those in Chile, don't they?

Smith: Yes, they do. Correct. Right. And they had deposits in Turkey as well, but they no longer have those.

Swent: But from a strategic point of view, these are the only ones we have here, for the United States.

Smith: Yes, from a domestic point of view. Turkey is probably not the most reliable source of the mineral. Some of the South American countries may not be that reliable. The reserves at Boron, of course, are significant, but they have a finite life like all mineral deposits do. Searles Lake, I think, is limited in the amount it can produce of borates, because the borates occur in a

brine out there, with other minerals and chemicals. I think they're limited by the production of the other chemicals, in the amount they can produce of borates.

At this point an overview of the company's history in Death Valley would be helpful. U.S. Borax has a long history in Death Valley. The founders of the company, F. M. Smith and others, began production of borates at Teels Marsh, Nevada, north of Death Valley, in 1872. Operations, those of William T. Coleman, moved to Death Valley in 1881. It was these operations that prompted the development and operation of the famous twenty-mule teams. The company's borate mining operations continued in Death Valley until about 1927, except for a period between 1890 and 1907 when much of the company's operations were at Old Borate, California. That's near Yermo. Since 1927, almost all production has been from Boron.

During the period of 1907 to 1927, the company developed the Lila C. Mine, located southwest of Death Valley Junction, and constructed the Tonopah and Tidewater Railroad to replace the twenty-mule teams, physically but not symbolically. By this time the twenty-mule team trademark had become a household symbol synonymous with Death Valley. The T and T, as it was known, was completed in 1907, and not only assisted in the development of the Lila C. Mine but also the Ryan Mines, located adjacent to the Death Valley National Monument east boundary. It also helped develop the general areas of California and Nevada that it served.

As a part of this effort, construction of the first unit of the Furnace Creek Inn was started in 1926, and the first guest registered on February 10, 1927. The inn was expanded over the next twenty years, and the tourist accommodations were added at the Furnace Creek Ranch. The ranch itself dates back to 1870 and was the headquarters and source of feed and livestock for the early mining operations. It also supplied beef and farm produce for the workers.

Company Support for Death Valley National Monument

Smith: Death Valley's history and its remoteness and hostility to its early pioneers, the Forty-niners, and the early borate mining with the twenty-mule teams, and its unusual beauty and charm, attracted visitors, but it was the transportation and the other accommodations that the company and its affiliates constructed, along with its interest in the region, which developed Death Valley into the tourist attraction that it is today. That interest has been demonstrated by many years of cooperation of the National Park

Service, including support needed to establish the monument in 1933. It is with pride that I often suggest that the U.S. Borax group did more to make Death Valley the attraction that it is today than any other party, including the National Park Service. That is something I wanted to say again. I've said that before, but many people don't realize that, and many people in the National Park Service have forgotten how much the company has done.

In 1969 a sale of the Death Valley Hotel Company, which was an affiliate of U.S. Borax, with resort facilities comprising the Furnace Creek Inn and Ranch, and patented mining claims on the floor of Death Valley, was negotiated.

Swent: By you?

Smith: Yes. Primarily by me, yes. That's correct. And I should say Jim Gerstley as well. This sale conveyed the resort properties and some of its water rights to Fred Harvey, and the remaining water rights and about 7,200 acres of the land to the Nature Conservancy, to be held in trust for the National Park Service. The sale of the undeveloped land was at a value considerably less than a concerned party may have obtained if he had really wanted to promote private property in a national monument.

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Smith: I mentioned that the company had been instrumental in establishing Death Valley as a national monument. When the mining operations at Ryan ceased and the company, or an affiliate of the company, had the Tonopah and Tidewater Railroad operating, it was decided that maybe they could use the railroad facilities as Fred Harvey had at Grand Canyon to bring people to the Death Valley area as tourists, so they proceeded to develop the Furnace Creek Inn and Ranch facilities for tourist accommodations.

Swent: This was considerably before your time?

Smith: Correct. I think the monument was established in 1933. I think they started the facilities prior to the establishment of the monument, so it was in about 1933, I think, when they did that.

Swent: So when you went up there to work with Gower and Gill in 1954, the Furnace Creek Inn and Ranch and so on were going, but you weren't doing anything with that at first. You were on the mining.

Smith: That's correct. But what I wanted to say was that the company had supported the establishment of Death Valley National Monument. They did it subject to the fact that there had been an agreement

that [Horace] Albright had worked out. Albright told me this personally.

Swent: We should identify Albright. He had been head of the National Park Service.

Smith: Yes, he was head of the National Park Service at this time, the time of the establishment of the Death Valley National Monument.

Swent: And then came to work later as president of another Borax Consolidated subsidiary.

Smith: U.S. Potash. He told me personally that what had happened was that the congressman from Nevada representing the Death Valley area, and the congressman from California representing that area, were opposed to the establishment of Death Valley National Monument because it would close it to mineral entry--new mining locations. As a result of that opposition, a compromise was worked out which was that subsequent to the establishment of the monument, the government would reopen it to mineral entry (the location of the mining claims), and that was done. The company supported the establishment of the monument on the basis that it would be open to mining because the company knew the significance of the mineral deposits there. I mention this because since that time there has been a continued effort on the part of the National Park Service and more recently of the environmental groups to close Death Valley to mineral entry. That's the part which I would like to kind of cover here if I could.

Swent: It's important. So the historical precedent is for mineral entry to be allowed.

Smith: That's right.

Swent: And this was an exception that they made?

Smith: This not only applies to Death Valley National Monument. There were some others, too; I think Joshua Tree National Monument. But this was part of the overall agreement to get these two congressmen to agree to support the establishment of the monument.

National Park Service Opposition to Mining in Death Valley

Swent: Mining there, of course, long pre-dated the Park Service's interest.

Smith: That's right. The mining claims which Borax owns, most of them were located prior to 1900. Somewhere around 1890, most of them. The monument was established in 1933. These are patented properties for the most part, which are fee owned. They're extensive reserves.

So what I wanted to say was that since that time there have been efforts to close it to mineral entry. The first effort of the National Park Service to close part of the Death Valley National Monument to mining was in 1962 and 1963, with a proposed withdrawal of 26,000 acres in the Furnace Creek Wash area, which had good borate potential, from mineral entry for the reported purposes of protecting water rights. I said "reported" because there was some doubt as to whether that's what its purpose was. Although this withdrawal application never was acted upon, mind you, from 1962 to the present, there never were any hearings on it, it effectively withdrew this land from mineral entry.

Swent: In what sense did it effectively close it?

Smith: A proposed withdrawal automatically withdraws the land until it's decided or it's acted upon.

Swent: You're actually not allowed to develop a property on which they've made an application to withdraw it?

Smith: No, you are not.

Swent: It's not just that it wouldn't be prudent to make the investment, but you really were not even allowed to.

Smith: You're not allowed to, no. No new entry is allowed.

Swent: Even though the withdrawal application had not been approved.

Smith: That's right. And in 1974 the National Park Service proposed the designation of 77 percent of the Death Valley as wilderness. After public hearings and many objections to this, they increased the area to 90 percent of Death Valley as wilderness. That essentially put just about all of Death Valley in, except for corridors for the roads and some of the tourist accommodations. If acted upon, that proposal, of course, would have effectively eliminated any new entry and would have made it very difficult for any existing operations to go forward.

In my opinion, the proposal was sort of an open and adverse effort to stop mining in Death Valley National Monument, and without exposing the National Park Service to damages for inverse condemnation. I think that's significant, because if the National

Park Service wanted to stop mining, it would have to condemn and pay damages, pay for the value taken.

Swent: This was kind of an end run?

Smith: Correct. And making it wilderness I think would have for all practical purposes made it very difficult for most people to mine adjacent to wilderness areas and certainly would have stopped any new ones, and may have not have subjected them [National Park Service] to any damages.

In 1975 and '76, the National Park Service used the activities of a company competitor in Death Valley to promote and pass what was called the "Mining in the Parks Bill," or S-2371.

Swent: Who were the competitors? Do you know the names?

Smith: I'd rather not say.

Swent: Are they mining companies?

Smith: Yes, mining companies.

Swent: I see. I didn't know whether they were Furnace Creek Inn competitors.

Smith: No, no, no. It was mining. Mining competitors. It's pretty well known who they were, but who they were is really not that important. This act closed Death Valley National Monument to mineral entry and called for new regulations on claims that were located subsequent to the establishment of the monument.

The company--U.S. Borax--opposed this bill because it was promoted with false information, and I believe a little historical background is required. I want to include portions of a speech I gave to the American Institute of Mining Engineers in San Francisco on November 8, 1976, as part of a panel discussion of S-2371.

Mr. Horace Albright, director of the National Park Service at the time the momument was established, told me that there was strong opposition to the monument as it would close the area to mining. Congressman Arentz of Nevada and Congressman Englebright of California, in whose districts the monument would be located, were opposed to closing the area to mining. To overcome the opposition, the Department of Interior agreed to introduce and support a subsequent bill to open the area to mining. Mr. Albright and Secretary Ickes honored that promise and the mining laws were extended to Death Valley National Monument in June of 1933. This agreement has now been broken by those who implied that the sole

intent of the act which extended the mining laws to Death Valley was to retain the color of the picturesque miner.

The regulations of surface use which were promulgated by the secretary of the interior under the authority of that act are unmistakable evidence that this was not the intent of the act. The secretary knew the intent of the act and conformed to it. The suggestion that neither the secretary nor the Congress knew that mining in Death Valley would be anything more than a miner with a burro, pick, shovel, and maybe a wheelbarrow is unbelievable when the mines at Ryan still evidence what mining was like in the area in 1927. Unbelievable as it seems, this suggestion was used to promote S. 2371.

It was also suggested in the press that the National Park Service had no control of mining once a claim is located. The facts are that the NPS has had the authority and the regulations necessary to control the surface effects of mining. The only authority they have not had is the right to prohibit mining. Prohibition has been the NPS's admitted objective for many years.

Zabriskie Point, the visitors' scenic vew area that overlooks Gower Gulch, was, according to newspaper reports, the area which generated the great concern that prompted the NPS to demand that action be taken to save the monument from being carried away in the trucks of the 'picturesque miner.' I think it is interesting to note that we gave Zabriskie Point to the NPS in a land exchange and that the Gower Gulch area that was claimed by our competitors has been owned by the company since 1887. The National Park Service (Mr. John McMunn, Office of the Solicitor, Department of the Interior) knew that the company owned this land and that the basis of our competitors' claims had little legal merit. They also knew that the company had no plans for mining the area and that we would not have allowed our competitor to do so.

Swent: We're continuing now after a little break. You're working now up in Death Valley, and we were talking about the National Park Service and some of your ideas about them.

Smith: To continue with the discussions of the National Park Service, the National Park Service desire to close Death Valley National Monument to mining, despite its mineral resource potential, prompted the Death Valley Mine Operators, of which U.S. Borax was a party, to begin negotiations in 1982 to bring the regulations of Death Valley National Monument to be more realistic and to remove temporary burdens placed on it by the 1976 act.

Swent: You had not mentioned this Death Valley Mine Operators Association.

Smith: No, I'm just mentioning it for the first time. It was just a group of the operators. It was an informal group that had gotten together to try to promote some regulatory changes. The 1976 act had established some restrictions on mining. After a certain period of time, in compliance with that, we wanted to remove those temporary restrictions and to clarify some and make these regulations more realistic.

Swent: Was this an association that developed in response to this act?

Smith: Yes, right.

Swent: I see. Did you have anything to do with that organization?

Smith: Borax was a member.

Swent: You personally. Had you organized it?

Smith: It sort of came about as a result of everyone's desire to do certain things. As a result of that, those efforts, and in accordance with the Santini Amendment to the S-2371 which I previously mentioned, the Death Valley Mine Operators proposed a small monument boundary change of about two square miles. The purpose of this was to remove an area of extensive borate mining from the monument. In order to facilitate this happening, U.S. Borax and American Borates, which was operating in this area, proposed the exchange of lands within the monument to compensate for that land being taken out.

Swent: You would give land to the monument?

Smith: Correct. Land within the monument that we owned, in exchange for this boundary line change. Mind you, it was a very equitable proposal and it would have been worthwhile in that these extensive mining operations then would be outside the monument rather than within it. In 1987, when it was obvious that the Park Service wasn't going to give us a meaningful response to that proposal--

Swent: Who were you dealing with at the Park Service?

Smith: Individually? Primarily, the proposal was being made to the assistant secretary for fish, wildlife, and parks, which was Ray Arnett at that time. But of course, it was being handled by the director of the National Park Service and people who worked for him.

Swent: Did you go back to Washington and talk to them about it?

Smith: Yes, actually, a group of us were there on several occasions to talk to him about the issue.

Swent: Were there hearings?

Smith: No, no. We made the proposals and we never got any meaningful response, so in 1987 U.S. Borax offered to make a direct land exchange with the National Park Service.

Swent: How did this differ from the previous offer?

Smith: It didn't involve a boundary line change, but we assumed that that was not going to be possible, so we decided that in order to facilitate our future operations in the Ryan area, that we would propose a direct land exchange for fee land we owned in the Furnace Creek Wash area which had scenic value to the National Park Service, in exchange for lands outside the monument and in and around the Ryan area where we had a number of mining claims, but felt that additional land might facilitate the ultimate mining of those reserves by providing non-mineral land for mill sites and tailings disposal and roads and those sorts of facilities.

What U.S. Borax had proposed was that we would give them land of equal value, not the mineral on the land within the monument, but we would convey that land subject to the government's right to determine when and if those minerals were ever mined, and under what regulations they would be mined. So essentially they would have had control of the mineral, except that if they ever were mined in case of a national emergency, it would be U.S. Borax who had the right to mine them. We were trying to protect our interests, really, in an exchange.

The lands which we had wanted to acquire in the Ryan area, we only asked for surface estates, not the mineral estates, so that it would be an equal value exchange. We had the mineral rights in the Ryan area already, so we didn't really need those. That proposal never got a meaningful response either. I mention that because I think it sort of demonstrates the fact that the National Park Service had failed to really respond to reasonable proposals and cooperate. This demonstrates their desire only to stop the mineral development, not to help it or work with the mining industry out there.

Swent: Did you try to work at all through legislators?

Smith: No, we didn't, but I should mention that my final proposal when I retired was--I strongly suggested that U.S. Borax proceed through the legislative route to accomplish this. I just think those reserves have value; future value, I should say, because the

domestic reserves in the United States are limited, and they're limited throughout the world. There are just not too many known economic borate deposits in the world. It's not like copper and other minerals that are widespread.

In my opinion, those issues are just as important as national parks and monuments and other values, so the approach has to be a balanced approach, particularly by the Department of the Interior, which the National Park Service is a part of. They have to have an approach that views all interests, and protects all interests. That's why I am going to be mentioning that I think the National Park Service has their own agenda, and that that's the only one they pursue.

Swent: Within the Department of the Interior?

Smith: Yes. Within the National Park Service. They operate sort of independently of the Department of the Interior.

Swent: Did you try to get at them through the Department of the Interior at all?

Smith: When you're dealing with the assistant secretary for fish, wildlife, and parks, he reports directly to the secretary of the interior, I don't think you can very well go beyond that person in matters of this kind. At least, we didn't try to, and in subsequent years, the fellow who was assistant secretary was Bill Horn, a personal friend who I thought did just about everything he reasonably could do. I know that he personally told me that he instructed the NPS to review this proposal and give Borax a response. We never got a response, "Yes," "No," or "We need to talk or negotiate," or anything.

Anyway, one of the other things that the National Park Service did at one time to, what you might call frustrate, mineral development in Death Valley National Monument was to propose that Death Valley National Monument be placed in a Class I Air Quality Area. This would have made it very difficult to develop any new mining operations or expand existing ones because it sets up a very restrictive air classification. Fortunately, that proposal was never acted upon.

I have to say that all my years of dealing with the National Park Service in regards to the company's Death Valley borate reserves and as vice president and general manager of the Death Valley Hotel Company from 1961 to 1969--and as I mentioned, they were the owners of the Furnace Creek Ranch and Resort properties--has influenced me that despite the good work done by Stephen Mather and Horace Albright, the National Park Service has become a

governmental service with its own very special agenda and special self interest. To me, its leaders place a special interest--their own special interest above that of the general public and individual landowners. I have the impression that the National Park Service is not conforming to the overall policies of the Department of the Interior and pretty much acts independently of the Department of the Interior.

Swent: That was a disappointment, then.

Smith: Well, yes, it was, right, because I think it was a very dedicated effort to work with the National Park Service and to try to resolve potential future problems in the conflict between mining and Death Valley National Monument. There's only one way that the government can stop the development of some of those reserves in the Death Valley area, and that is to actually condemn them and buy them.

Swent: These were actual reserves that you had?

Smith: That's correct. Extensive reserves, as I will mention just a little bit later and which I'm coming to now.

Fighting Anti-Mining Legislation

Smith: The latest effort to close Death Valley National Monument development is Senator Cranston's California Desert Protection Act. This bill proposed some major land classifications throughout the California Desert Conservation Area, which is 25 million acres and about 25 percent of the state of California, a large area. The bill is sponsored by the Wilderness Society, the Sierra Club, and other environmental groups.

It proposes to surround the Ryan area, which is patented or fee-owned property, which has borate reserves of 27 million tons, with designated national park and wilderness--that's the Ryan area--and place wilderness-designated land adjacent to patented borate reserves of 30 million tons and to designate much of an area of known borate potential as national park and wilderness. This would damage the possible development of these known important borate reserves and potential reserves. In my opinion it's a direct and intentional effort to prevent mining in the Death Valley area. That's strong language, but--

Swent: I doubt that they would disagree with that. They would probably agree totally.

Smith: In testifying on the bill the first time around with Cranston, I said essentially this, and he never responded. I met with some of his staff people later, and they said, "You never conveyed your problem to any of us," and I said, "Oh, yes, we did. We testified last year on the bill."

We've talked to the Wilderness Society people and told them what this does, and got no response.

Swent: It's still pending?

Smith: Yes, it is right now. I just read in the paper, I think this morning, that Senator Cranston is back in Washington. He said one of his first orders of business was to get together with Senator Seymour, who replaced Wilson, to try to work out a compromise to get the bill brought up before the Senate. So we'll have to see. It's a very important piece of legislation and it has significant impact on California.

Swent: And you were not asked for any input into the bill in advance?

Smith: Oh, before it came out? Oh, no. In fact, nobody knew it was being prepared.

Swent: Yet the Sierra Club and the Wilderness Club did.

Smith: Oh, they did, yes. Their people wrote the bill, prepared all the maps, and as you probably know, the only way you could get a copy of the maps was to buy them. You couldn't get them from anybody else. These are maps pertaining to pending legislation, which the general public couldn't get copies of without buying them. That's surprising. It's my personal view that Senator Cranston really never knew what was in the bill, in detail, so he consequently didn't know its impact. But having sponsored it, it's pretty difficult to back up from these things.

Swent: Where was the Mining Congress, or the California Mining Association?

Smith: Oh, the California Mining Association testified. I was part of that effort. The bill derives from the Federal Land Policy Management Act, referred to as FLPMA.

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Smith: When FLPMA was introduced and passed, certain sections of that bill established the California Desert Conservation Area, the 25 million acres I just mentioned. It set up a procedure for the appointment of a number of public people to serve on an advisory committee to

recommend the classifications of this 25 million acres. That is, for wilderness, or parks, or recreational areas, or no special classification at all.

That study was conducted by the Bureau of Land Management. I think the studies were carried out for several years. It was all individuals donating their time and effort to do this. People from the mining industry and the cattle industry and the recreational industry and environmental groups and many others all participated. As a result of that work, they came up with a Bureau of Land Management plan for the California desert. I'm not sure that that plan has actually been proposed to the president. It was supposed to have been proposed about a year ago. It was supposed to go through the secretary of the interior to the president to be presented to Congress as a plan for the California desert.

But I think everybody knew generally what the plan was going to be. Using, for example, a scale of one to ten, the committee started at one. Say by compromise they got to point five on the scale. That compromise was going to go through the review and be introduced; go through the secretary's review, the president's review, and be proposed to Congress. I think it was supposed to have been proposed last year. I think that was the schedule, but what happened was the Wilderness Society and the Sierra Club and others proposed this bill at, say, point ten, to frustrate the compromise and get what they wanted.

Swent: With their classification already made?

Smith: No, they're just proposing. It's just a bill, you see.

Swent: But already classifying these lands.

Smith: All these lands, yes. It proposed all the designations. It was at, say, ten, or maybe even twenty. It was way out there. But at the least, their strategy, I think, was to negotiate between five and ten. They'd gone through the negotiation process. Didn't get all they wanted, nor did anybody, for example. I don't think anybody was happy with the BLM proposal. The only people who were happy with the BLM proposal were those who thought it was one hell of a lot better than the Cranston bill, you see. But it was really just negotiating to a point and then saying, "Now I've got ten more things I want, too," you see.

So that bill, really, they either hoped to get it or they hoped to negotiate more and more. To me it demonstrated on Cranston's part a complete lack of the whole process of public involvement in governmental decisions, public land issues. How do you encourage people to donate all their time and effort over a

number of years to come up with a compromise plan for an area and then just brush it aside and come out with legislation that only the Sierra Club and Wilderness Society and the other environmentalists had input into?

I'm sure that in Congress these areas would get debated, but very late in the game. Most of those congressmen didn't travel to these sites, view the sites, make actual observation and determinations of the best land classifications. They're sitting in Washington looking at maps and that's all they really know about it. Or they may come out here and fly over it, you know, fly over 25 million acres in one day and say, "Oh, yes, that sounds like a good plan."

So it's been a very, very thorny issue for everybody who has been involved who is not part of the Wilderness Society or the Sierra Club, because their interests have been just totally ignored. These people all sat through these several years of negotiations and compromise. I really said in some of my testimonies on this bill that I thought that the Cranston bill had so polarized the issue that it didn't allow for any more compromise. The only way you could really compromise on this issue was the opponents of the bill to start at zero.

Swent: Did you have any luck trying to bring congressmen out here to see what you were talking about?

Smith: They made some trips out here, yes.

Swent: Did that help?

Smith: I think it probably did to some degree, but the bill has not really been negotiated in committee. It has never really reached the Senate Energy Committee, the Natural Resources Committee, or any of its subcommittees, so as a consequence, I don't think anyone can really judge how the bill is going to be amended in committee. It's never gone to committee in the House either. It's just that there are so many people on these committees who are so willing to please the environmentalists, regardless of the merits of the issue, that most people are fearful that the Sierra Club and the Wilderness Society will get most of what they want.

Swent: What is the House equivalent?

Smith: It's the House Interior and Insular Affairs Committee.

Swent: And there is a bill?

Smith: Well, there was last year. I think it was introduced by Mel Levine, a congressman from California. I don't know if there is a House bill this year, and I don't think it's been introduced in the Senate either.

Swent: But it was introduced in the Senate earlier and then didn't get through.

Smith: That's been in two sessions now.

Swent: But it never got into the committee?

Smith: No.

Swent: So then it dies and they have to start over.

Smith: Yes, right.

Swent: But it's always there for you to worry about.

Smith: That's right.

Swent: Is U.S. Borax the major company?

Smith: It's a group of companies; really, it's a California Mining Association effort. Some of the major companies that have been involved are Santa Fe [Railroad], which has large landholdings throughout the California desert, probably the largest private landowner there; several of the gold operations working in the desert areas; and Molycorp, they're very active in it.

Swent: Kerr-McGee?

Smith: Yes, Kerr-McGee. Right.

Swent: I think you said earlier that you felt that U.S. Borax had not been a particularly politically active company.

Smith: I don't think they were, up until, oh, until the middle 1970s, I would say.

Swent: Did you help to change this, or did the situation change you?

Smith: I think I did. Yes, I think I did. At least I feel like I influenced that.

Swent: You organized or you were in on the ground floor of the California Mine Operators Association.

Smith: Yes. Well, not the Mine Operators, of course. As we speculated yesterday, that was probably Bradley and--

Swent: Phil Bradley?

Smith: Yes, and Ned Arthur. There was another gentleman, too, who was very active in that. I forget his name, but he was with Great Lakes Carbon, I think. I was active in the California Mine Operators and later was one of the founding members who reorganized the California Mining Association.

Swent: They do mostly state legislative work, don't they?

Smith: Well, yes, but of course, this legislation really only involves the state of California, even though it's federal legislation. But they are primarily state and took an active role in this particular bill. Of course, there were a lot of other groups as well, that have been opposing it: all the recreational vehicles, the off-road vehicles, the motorcyclists, the campers and backpackers and recreational people. The surprising part about this bill is that it establishes large areas of wilderness, and much of that area you really can't go into on foot. You probably can't even go into it on horseback without taking a lot of water and supplies. It can be very unforgiving, that part of the world, and having grown up out there and done a lot of work in Death Valley, I know from personal experience that it can be very unforgiving.

I had an experience where we weren't much more than maybe three miles from a car and it was very difficult to get back. I was the only one who took water with me, and the other people, I shared it with them. It was a very, very hot day and we really got very, very dehydrated. So you don't have to be very far off in the right type of climate, and you can be in trouble. I might say I told those guys afterwards that that would be the last time I ever carried water for anybody. If you didn't carry your own water when you went in, I wasn't going to go with you.

The people that supported the bill, I think, were only trying to lock up large areas. That was their objective, and it was not done with any other considerations. Just stop cattlemen from using it and recreational people from using it, mining from using it, preserve it in wilderness for future generations. How much wilderness does future generations need?

In talking about the Cranston bill, I think it would be helpful to include an edited version of a part of a speech I gave to the California Desert Symposium in March 1989, entitled "Boron, An Important Industrial Mineral."

"Since regular operations began in 1927, U. S. Borax's Boron operations have produced over 75 million tons of borates. Today the producion rate is about 3 million tons of ore per year.

This requires an annual payroll at Boron in excess of $23 million and the payment of Kern County property taxes of over $4 million. It requires 800 employees at Boron and 600 more in our related facilities at Wilmington, Anaheim, Los Angeles, and our sales offices.

It requires an open pit mine, the present area of which is about 550 acres, less than one square mile. The mine, overburden piles, and process facilities occupy about 5,000 acres.

The importance of U.S. Borax's Boron operations to Kern County, the State of California, and the nation through the products it supplies and the revenues it generates is evident; other than cement and sand and gravel, borates have been the most significant non-fuel mineral produced in California.

When you consider the value of the 75 million tons of borates produced (that is the product) and the small land area impacted--5,000 acres--it is also clearly evident that our Boron operation is the highest and best use of this land.

I have to ask the environmentalists, are operations like Boron less important than wilderness? Don't the benefits of the minerals produced more than justify the lands disturbed? Particularly when minerals are essential to present and future generations. Also, doesn't the fact that presently known Borax reserves have a finite life, doesn't that dictate that the search for new reserves is in the national interest?

I don't know how many of you have read 'Blueprint for the Environment,' the environmentalists' recommendations to the new president. I am sure that those of you who have read it were as surprised as I was at how openly the environmentalists advocate birth control to protect the environment.

I don't want to take a position on birth control, but I do object to the environmentalists placing their environmental goals ahead of children.

I find it difficult to understand how environmentalists can propose the protection of so much wilderness when they know that such wilderness locks up the resources so necessary to the needs of future generations.

I believe we must use all our resources in order to meet all the needs of future generations. We can not take the position, as the Wilderness Society has, that 42 years of borate reserves, 140 years of rare earth reserves, and 770 years of sodium carbonate reserves are adequate for future generations.

How can these people place so little value on the importance of the mineral resources that are essential to future society? Personally, I prefer kids. I like kids and I am proud of the young men and women of our country. I find most of them to be intelligent, responsible, mature, and eager to make their place in society. I think we should strive to make room for them in our society.

We at U.S. Borax are proud of what we do and what we do for society. We know how important food, clothing, and shelter are to the human race and how important mineral resources will be to future societies.

To quote President Theodore Roosevelt from his December, 1907, message to Congress:

> 'To waste, to destroy, our natural resources, to skin and exhaust the land instead of using it to as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed.'

We, the mining industry, must convince the public to support what we do rather than support those who want to stop the world."

Swent: Is the California Desert Symposium, where you gave this speech, a group organized to get a response to the Desert Protection Act?

Smith: It was a program organized by the California office of the Bureau of Land Management to have a symposium on minerals in the California Desert Area. I think it was primarily educational. I'm sure it was influenced by the Cranston bill.

Swent: Has BLM generally been more sympathetic to mining than the Park Service?

Smith: Oh, yes, I think so. The BLM charter is to manage the public domain for its resources, for all of its resources, whereas the National Park Service primarily tries to establish parks and monuments for the public to enjoy. That's not as restrictive as wilderness, but it's pretty restrictive.

I think, personally, that the California Bureau of Land Management carried out a very dedicated and worthwhile effort in complying with the mandates of FLPMA and in studying the California Desert Conservation Area for determination of how they should classify these lands. I think it was a disappointment and a sort of setback to them to have all their work ignored and to have Cranston just brush it aside and introduce a bill that was, in my view, outrageous, really, in view of the circumstances. It was a bill that to me demonstrated a complete lack of concern for the interest of the general public, the overall general public, as opposed to the self-interest of the environmentalists. So I think the BLM felt--"put upon" might be the word, or ignored--that they weren't consulted. Their efforts were disregarded and downgraded.

Swent: BLM is also in Interior.

Smith: Correct. That's right.

Swent: So there's been a rivalry there.

Smith: Right. Well, there shouldn't be any rivalry, really. I'm sure you're right, there probably is some, but there shouldn't be. I know Ed Hastey fairly well, who's the California state director for the Bureau of Land Management. I think he's a very reasonable sort of person. He's not made the mining industry happy every time he's made a decision, and he hasn't tried to. He's tried to do a rather balanced job, a responsible job, and I think that his efforts were ignored by the environmental groups. But this is not new. They did it in Alaska.

Swent: Are there parallels with the Alaska situation?

Smith: Yes. One of the major concerns with this legislation is that if the environmentalists are successful in passing this legislation in a form even close to what they are proposing, it will certainly encourage them to go to Nevada and Arizona and others--Idaho, you know, the other states having large acreages of public domain to introduce the same types of legislation. The danger of that, of course, as far as mining is concerned, is that it closes these areas to any new mineral exploration. There's been very little mineral evaluation of these areas. In some areas there's been none.

The California Desert Conservation Area is one of the best areas in the U.S. for borate exploration. None of the mineral evaluations that were carried out by the Bureau of Mines and the USGS [United States Geological Survey] sampled for borates. They only sample for a certain suite of minerals, mostly metals. It was a very cursory examination and was not intended to be more than

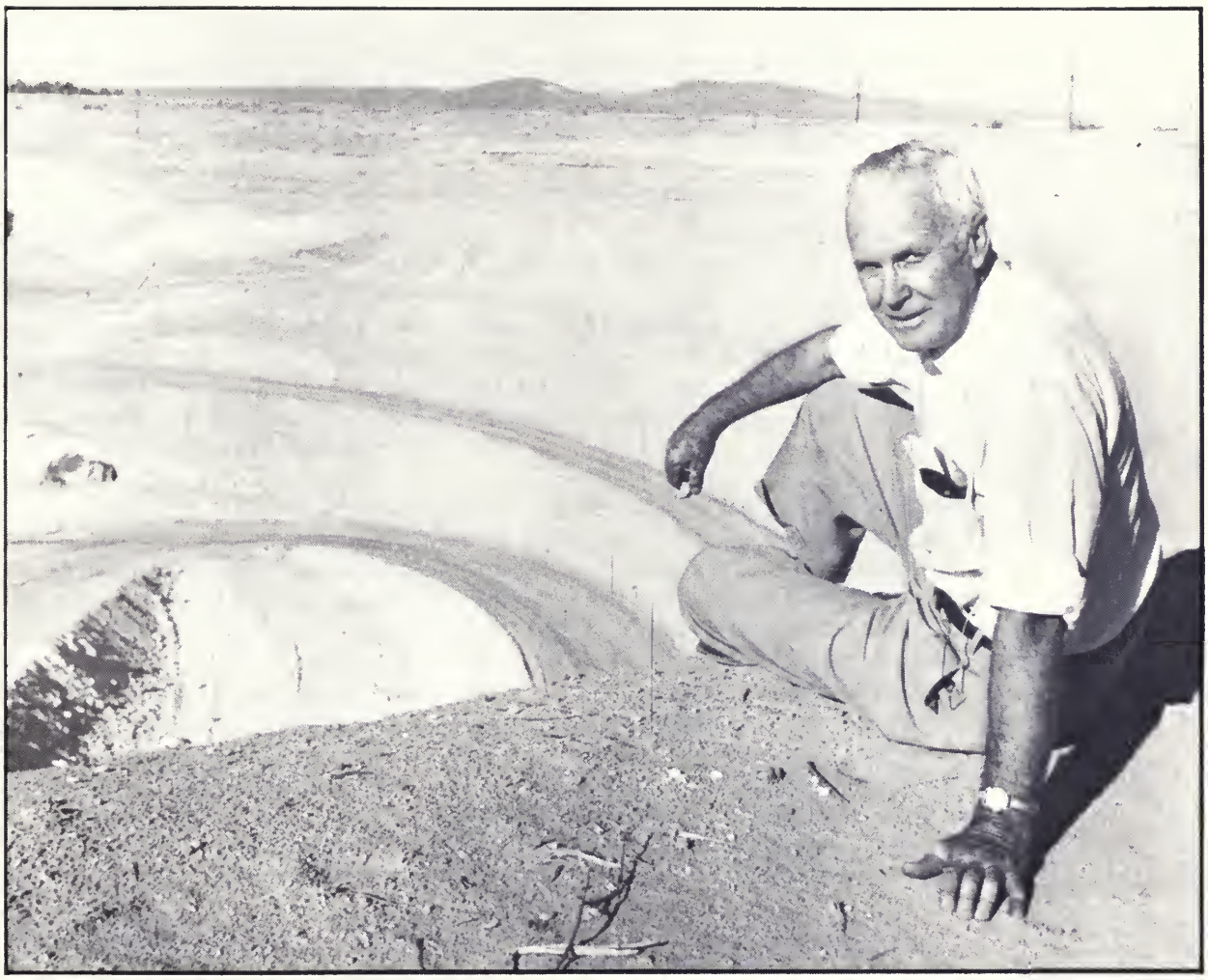
that, but under the BLM plan they recognized this. Under the Cranston bill they just say this whole area has no mineral potential and they're going to close it down. The country just can't afford to do that. That's the sad part of all of that, really.

Swent: At the time that we were speaking of, you were working for Pacific Coast Borax under Harry Gower.

Smith: Correct. Going back to my introduction to Death Valley in 1954, it was under the direction of Harry Gower. The efforts of the National Park Service and environmentalists to close Death Valley and much of the California desert has been ongoing to the present time.

Swent: And he was the land man.

Smith: He was the manager of the land and exploration department.



Harry Gower at Boron Pit, 1958.

IV LAND AND EXPLORATION DEPARTMENT, U. S. BORAX

Swent: So you were doing both land and exploration.

Smith: Right. It was about this time in 1956 that the Pacific Coast Borax Company and the U.S. Potash Company merged and changed the company name to U.S. Borax & Chemical Corporation. You may know that the parent of U.S. Borax was a major stockholder in U.S. Potash, so it was a friendly merger.

That merger brought about changes for me because Harry Gower was over the retirement age. A fellow named Joe Smith, who had been a long-time employee with U.S. Potash, became available, so Harry Gower retired and Joe Smith became manager of that department. I think I mentioned earlier, I sort of regretted to see Harry go because he was still very, very capable, very sharp, and he represented all the fine qualities of the Pacific Coast Borax Company that I admired so much. Joe was a very capable geologist. I might mention. He had gone to work for U.S. Potash right after the discovery of potash in the Carlsbad area. At the time he was transferred to Los Angeles, he was managing U.S. Potash's potash exploration program in Saskatchewan, Canada.

Swent: Did you get involved in the Allan Potash venture there?

Smith: A little bit, yes. I helped Joe on some of the land activities up there, but primarily it was done by Joe, but I assisted him on it, on a few trips up there.

And then, of course, shortly after that in 1961 I think it was, Jim Gerstley retired. A fellow named Hugo Riemer took over as president of U.S. Borax. Under his reorganization plan the activities for the Death Valley mining operations were transferred to Boron operations, and the exploration activities were assigned to another group. Land activities were made a separate department under the management of Joe Smith, and I became assistant land manager.

My activities in the department, and later when I became manager of the department when Joe retired, were primarily to protect the company's interest in the non-producing properties the company owned, and they owned quite a few; and to do land acquisition, land leasing, and land staking for mineral exploration activities. This had become a major role of the department; that is, the leasing and claim staking when a fellow named Robert Munro became manager of exploration for the company. The work ranged from borate exploration in California and Mexico to vermiculite and sand in the Carolinas, and from borates in Mexico to molybdenum in Southeast Alaska.

Swent: This is distinct from geologic exploration work, isn't it?

Smith: That's right. We were primarily either locating mining claims on open public domain for mineral exploration, or we were leasing property owned by individuals, or claims owned by individuals. And it requires coming up with lease agreements with the parties and doing it in a way, or establishing a leasing program, that built trust and confidence in those lessors. I found that was the key to a successful land acquisition program. For example, we noted there was a built-in fear of a farmer in Georgia leasing his land to you, particularly since you don't have the same accent that he does. Building trust and confidence I think is very important, and I think that the U.S. Borax name, or really, the Twenty-Mule Team company image, did a great deal to initially establish that trust and to allow us to build relationships with people.

Swent: It seems to me that this is an entirely different set of skills that you need, or at least you're getting away from mining operation.

Smith: That's right, it is different.

Swent: Now you are doing communication and education.

Smith: Right. I think the key here is that you, as a person trying to acquire the lease, have to fully understand the documents that you're dealing with and know them so well that you can explain all concerns, either expressed or viewed instinctively by the person you're trying to lease the property from. As I said, you really had to build on the reputation the company had, and build a trust. I think it was for the most part a very successful program, which has been carried on by the fellow who is now managing the program.

Swent: Who's that?

Smith: A fellow named Jack Colvin became manager.

Swent: This would be similar to what you would be doing with legislators, would it?

Smith: Yes. Well, yes and no.

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Smith: Many times in dealing with legislators you are talking to their aides rather than to them directly, so you don't really have that real close contact. I might add, sometimes legislators are not really that much interested in what you're talking about, whereas property owners definitely understood what you were talking about.

Swent: Hanging on every word, I'm sure.

Smith: Correct, right.

V VICE PRESIDENT AND GENERAL MANAGER, DEATH VALLEY HOTEL COMPANY

Swent: You haven't said anything yet about your work with the Death Valley Hotel Company.

Smith: Yes, I was vice president and general manager.

Swent: Jim Gerstley was still president.

Smith: He had resigned as president of U.S. Borax, but he retained his position as president of the Death Valley Hotel Company, which of course, as I mentioned, was an affiliate. It was in October, 1961, that I did this. Jim Gerstley had asked me to take over the job as vice president and general manager of the hotel company. The job was to oversee Fred Harvey's operations of the Furnace Creek Inn and Ranch--they were our lessee--and to pursue the sale of all the property of the Death Valley Hotel Company. The two significant properties at that time were the Borosolvay properties at Searles Lake and the Death Valley properties in Death Valley.

The Borosolvay properties are interesting in that they were the original properties located and acquired by John Searles and others sometime back during the early borate days. Of course, Searles Lake is named after John Searles. The property consisted of 2,210 acres of patented mining claims on the lake bed and 525 acres of patented land adjacent to the lake itself. The Death Valley properties consisted of 960 acres of patented land comprising the Furnace Creek Inn and Ranch as well as a number of patented claims on and adjacent to the floor of Death Valley.

Swent: But the company had decided to sell these.

Smith: Yes, right, and I might mention that these borate claims on and adjacent to the floor of Death Valley were the properties that were originally worked by W. T. Coleman from about 1881 to about 1890 and include the remains of the old Harmony Borax Works.

Dealing with the Borosolvay property, I'd like to say that I tried very hard to arrange an exchange of property between U.S.

Borax and the Death Valley Hotel Company, where U.S. Borax would acquire these mineral properties on Searles Lake in exchange for land of real estate value, but little mineral value, that U.S. Borax owns. But I was unsuccessful in doing it, and it was one of my big disappointments that U.S. Borax didn't acquire those mineral reserves.

Swent: Who made the decision that disappointed you?

Smith: As far as I know, it was the then-president of U.S. Borax, Hugo Riemer, who decided that.

Swent: Higher-ups in Borax itself.

Smith: Right. It wasn't the hotel company. It was an ideal type of an arrangement. The Death Valley Hotel Company, which was a separate company, an affiliate of U.S. Borax, had these properties and wanted to dispose of all the properties and to liquidate the hotel company. The reasons for that, well, I'll get to it a little later, really, the prime reasons being the resort properties.

The Borosolvay property had been worked by the predecessors of the company at one time. It was patented land right on the lake itself, the only patented land on Searles Lake. The other companies--American Potash and Chemical and Stauffer--were operating under government leases. I just felt that mineral reserves should be retained by Borax and the hotel company could acquire these other properties that had real estate value and sell those, and we would have gotten cash and Borax would have just exchanged properties, is all that would have happened.

Swent: And still had minerals.

Smith: Yes, right. It was a disappointment to me that I couldn't convince anyone that this was a worthwhile thing to do, but that was one of the two disappointments I had.

The sale of the Death Valley properties which I mentioned was initiated by Jim Gerstley in a November 1961 meeting with the then-director of the National Park Service, Conrad Wirth and which I attended. What Jim Gerstley suggested to Conrad Wirth was that perhaps the best way to settle a dispute over water rights--the water rights of the Death Valley Hotel Company in the Furnace Creek Area--was for the National Park Service to buy all our properties and our water rights provided a price could be agreed upon. We wouldn't have to quibble about how much water we legally had a right to, that way.

Swent: The Park Service was disputing the rights, were they?

Smith: Yes, right. Gerstley mentioned it at the time, and I know because I was involved in much of this, so I know that we felt very confident in our ability to prove the water rights we had. But Gerstley knew at that time that litigation would be costly and time consuming for all parties, so that if a reasonable price could be agreed upon, maybe the best way to settle it was just to sell the. properties to the National Park Service. It wasn't until about 1965 that the sale started to go forward. I think it was prompted by the fact that the Fred Harvey Company had agreed with the National Park Service that they would be the purchaser of the resort properties; therefore the National Park Service would only have to acquire the non-operating properties, the idle properties.

They were vacant properties. They were the non-operating old mining claims located on and adjacent to the lake itself in Death Valley. By this time, you know, we--talking about the Death Valley Hotel Company again--had sold what was referred to as the Tonopah and Tidewater Ranch or Leland Ranch property, which was located in Nevada. It was the ranch that was built in connection with the old T and T Railroad. We had sold the property in New Brighton, Pennsylvania, which the hotel company had acquired in exchange for a debt. It was the old Sterling Borax Mining Company--Sterling Borax Company. If you remember in Travis's book, he mentions that Stephen Mather and a fellow named Thorkildsen established the Sterling Borax Company in competition with U.S. Borax--that is, with Pacific Coast Borax Company.

The Sterling Borax Company continued for many years, I understand. They bought borax product, as I understand it, from U.S. Borax and/or the Pacific Borax Company, and then they finally went broke. The hotel company acquired these properties in exchange for this debt. Having sold all the other properties of the hotel company, the company--its stock--could be sold rather than its assets. In 1969 the Fred Harvey Company acquired the stock of Death Valley Hotel Company and immediately, right upon actual receipt of the deed, liquidated it, retained the resort properties and most of the water rights, and conveyed the non-resort properties, 7,200 acres. and a part of the water rights to the Nature Conservancy to be held in trust for the National Park Service. I assume the National Park Service owns it by now.

For me, that sale was a major accomplishment. It closed out the hotel company, but it was a major accomplishment and a gratifying success, and a little bit of a disappointment too. It sort of went unnoticed, as far as I'm concerned.

Swent: By--?

Smith: By the company. It was a very equitable arrangement. I think its merits were maybe only recognized by Jim Gerstley and myself, maybe.

Swent: It was certainly the closing of an important era also.

Smith: Yes, but it was a very good financial arrangement. I know that to be a fact because I really had worked extensively on that, had arranged for all the appraisals of the property and much of the arrangements. And of course, Jim Gerstley and Ray Coleman, who was the company attorney, were involved as well.

Swent: Where were you doing this? In Los Angeles?

Smith: Yes.

And the other thing was that I was also disappointed because I could not persuade U.S. Borax to acquire the Borax Museum, which was located on the Furnace Creek Ranch property. That museum was constructed in about 1954 under the supervision of a lady named Ann Rosener who was a personal friend of Jim Gerstley and his wife.

Have you ever been to Death Valley?

Swent: Long years ago.

Smith: The museum was a very nice, small, very unique, charming little museum when it was first built. It's sort of the history of U.S. Borax and Pacific Coast Borax and William Coleman and F. M. Smith and all in Death Valley. It has a lot of the old antiques from that time and old mining logbooks and that sort of thing.

Swent: You wanted to retain that.

Smith: Yes. I wanted U.S. Borax to retain it, in other words, to acquire it from the Death Valley Hotel Company, and they could have done it for a reasonable amount of money. I had also worked out arrangements with the management of Fred Harvey to allow U.S. Borax to retain and operate it on a small portion of the ranch property under a lease agreement. They--the Fred Harvey people--were 100 percent for it; in fact, wanted it to happen because they didn't really want to manage the museum. They didn't want the cost of doing that. I was unsuccessful again, and it was a real disappointment to me because I wanted so much for U.S. Borax to retain its history and heritage in Death Valley, and not to have someone else running a museum that represented our history and ultimately letting it go to somewhat disrepair. So that was my second disappointment.

Swent: That's too bad. It really is.

Smith: Well, I probably had a third which I didn't mention here before, but at one point a few years back I tried to get the company to establish a museum in our office, on the first floor of our office, and put the twenty-mule team wagons in it and a lot of our artifacts. We have a lot of old artifacts and old photographs, real nice things. I was thinking we would try to do it somewhat, but on a much smaller scale, a modest scale, like what Wells Fargo Company did.

Swent: I was just thinking of that.

Smith: I don't know what they have in San Francisco, but they had a beautiful museum here in Los Angeles.

Swent: They have a nice one in San Francisco. The wagons.

Smith: It was very, very nice. Very well done, I thought, what they did. They had a number of school children visit it and we could have done the same as it would have been right off our entrance where the photography shop is now. It would have been small but it would be impressive. It would be significant to the image of the company, an image that I feel has been so important to its success. As I mentioned earlier, its image was very helpful in land acquisition programs. People say, "You're with the Twenty-Mule Team? Oh, yes, I know that program. I know," and that kind of thing. We were welcomed in. That image has helped us very much in dealing with legislators. You're automatically accepted on good faith as being a good company, honorable, and to have integrity, you know; that sort of thing. I personally know how important this is when you're talking to a legislator or someone you're trying to acquire property from. It can make all the difference in the world.

For example, we did a lot of work in Georgia for a while, and there were many times those people were ready to sic the dogs on you. You tell them you're with U.S. Borax and Twenty-Mule Team Borax, "Oh, sure, come on in. Mother, put the tea kettle on." That's the contrast that you have.

Swent: Was this partly because of the radio program?

Smith: Yes, right. The "Death Valley Days" program was the longest radio-television program in history at the time it went off. There aren't too many young people that remember it, but it was a very worthwhile program. I just feel like the company should sort of retain that image by doing everything it can, reasonably, to keep

promoting the twenty-mule team wagons and that image of the strong, resolute, reliable, good miners.

Swent: It's very hard to quantify that.

Smith: Oh, yes, it is, right. And if you're not careful, you can lose it just like that.

Smith: Anyway, my tenure as the manager of the land department was highlighted by two projects--the negotiation of a joint venture agreement with Materias Primas Monterrey, which was a FIC subsidiary--

Swent: What is FIC?

Smith: I think it was Fomento Industrial something or other. It's one of the largest Mexican corporations. They're primarily in the manufacture of glass. They manufacture a lot of beer bottles and car windshields. A very large and successful company. Materias Primas Monterrey was just a subsidiary that they had established, I believe, for borate exploration. This negotiation was significant to me because the gentlemen who represented FIC, I thought, were some of the finest people that I had had a chance to complete an agreement with. Just real fine, forthright gentlemen. They were very impressive, and I always remember those meetings with fondness.

Swent: Where were those meetings?

Smith: In Monterrey, Mexico.

Swent: You were leasing property?

Smith: We were working on a joint venture agreement with this company. And the other important thing was, of course, it was a very equitable agreement, and that wasn't always the case in such types of agreements. They were very fair about the arrangements. The Materias joint venture project was successful and found borates in Sonora, Mexico, but they have had trouble in the development of these reserves and haven't put them in production yet.

Swent: But the joint venture is still there?

Smith: Still there, yes.

VI QUARTZ HILL, ALASKA

[Interview 2: March 7, 1991]##

A Significant Land and Exploration Project

Swent: Yesterday we had just gotten to the point where we wanted to start talking about Alaska and Quartz Hill, which was the second highlight in your time as land manager. When did you first go up there?

Smith: It was probably about 1972 or 1973, but the most significant claimstaking or exploration project that I worked on in Alaska was not on that first trip. It was a subsequent trip.

Swent: Let's look at this first in a bit of historical perspective. The Prudhoe Bay discovery was, I believe, in 1968, and even prior to that was when the conservationists became involved. Earlier, when Alaska became a state, there was a decision on how much land the natives would have reserved for them, wasn't there?

Smith: Yes, there was the Alaska Native Claims Settlement Act.

Swent: Right. So U.S. Borax was coming in subsequent to the Native Claims Settlement?

Smith: Yes, but I don't think there's any relationship between the two.

Swent: Except that there was a lot of public interest suddenly coming in.

Smith: I think the public interest in Alaska came about as a result of the construction of the Alaska pipeline from Prudhoe Bay.

Swent: That's when most of the people in the lower forty-eight became aware of Alaska.

Smith: I believe that's right, yes. The Native Claims Settlement Act didn't really have any direct impact at that time on U.S. Borax.

Swent: No, but it did set aside certain lands for the Alaska natives.

Smith: That's correct. Yes, it did. It set up native lands for, I think there's about twelve or thirteen native groups that were given land settlements.

Swent: So they became a rather powerful constituency in all of this.

Smith: Well, in Alaska, yes, they did.

Swent: And sometimes they were pitted against other groups.

Smith: They have been. Prior to our going up there, I really don't know the extent of that.

Swent: It wasn't just the miners against everybody else?

Smith: Oh, I think the major land struggle in Alaska has been with the timber industry, particularly in Southeast Alaska, not the mainland. That has been the major issue in Alaska.

Swent: And they, of course, were there long before you were.

Smith: Yes, right. And I think long before the environmentalists ever even thought about doing anything in Alaska. The sad part is they were encouraged by the federal government to go into Alaska, as I understand it, by the federal government granting them large timber concessions in order to encourage them to build the pulp mills in Ketchikan and in Sitka, because of the need for job opportunities in Southeast Alaska. Now the environmentalists have persuaded the federal government to take a lot of that away from them. But that's another issue.

Swent: Right. Your exploration people went up there in the early seventies, then?

Smith: Yes. I'm not sure exactly when they did go, but they did do some work in Alaska in the early seventies and I know they did some work around Ketchikan sometime in probably '72 or '73. My involvement, of course, was in 1974. At that time I was manager of the land department.

Swent: So that's why you were getting into it.

Smith: Yes. As I said, the Quartz Hill land acquisition program, through the location of mining claims, was probably the most significant land project I was involved in and, as I will mention later, became one of the more significant legislative issues that I was to become

involved in as well. The Quartz Hill deposit was discovered by our exploration department in October 1974, and the claimstaking began shortly thereafter by the exploration people on site. The discovery of this mineral, which was molybdenite, in float in the streams and in place, was made by Jackie Stephens, who was manager of U.S. Borax's northwest regional exploration office, and Bob Kistler, who was and is chief geologist. They were following up a geochemical sampling program that had produced a molybdenum anomaly in the area and found the mineral in place. I arrived on site in October 23, 1974, after completing three months of strike duty at Boron, California.

Swent: What were you doing then?

Smith: I was in a strike, and since I had worked there before, even before going to college, and I had worked for a period of time as an electrician's helper and had some knowledge of that activity, the foreman of the electrical group saw me when I arrived and latched onto me and gave me a job as an electrician's helper, so I did that all during the strike period.

Swent: That must have been quite a change.

Smith: Well, it was; it was a very, very tense time.

Swent: Were you staying out there at the mine?

Smith: Yes, living on site, yes. It was a difficult time for both the company and the union people. It was finally resolved, and since that time I think relationships have been very good between the company and the union. In fact, I would say it has been a very good relationship.

Swent: Were you unique in having been a union member and a laborer and now being a high officer? Were there other people who could see it from both sides as you did?

Smith: I wasn't an officer at that particular time. I might have been unique in that I was probably one of the few people coming from Los Angeles who had belonged to the union at Boron who had worked there as a union member. But I don't think anyone really thought of me as unique other than the fact that I had the ability to be of some help to them in the electrical shop. That's the only uniqueness they looked upon, really. I'm sure they were interested in my point of view. It just wasn't the important issue at the time, really.

Swent: I understand that you people ran the plant very well.

Smith: Yes, I think they did, really. In fact, I know in the electrical shop we found that after a period of time we were able to actually not just maintain the facilities but actually make repairs that had been awaiting crews for some period of time. So it went very well.

Anyway, to get back, I'd like to point out that I arrived there, as I said, after three months strike duty at Boron.

Swent: Arrived where?

Smith: In Ketchikan.

Swent: How did you get to Ketchikan?

Smith: I flew. At that time I think the airport was in existence on Gravina Island, which is just across the channel from Ketchikan, but I know on one of the earlier trips I made to Ketchikan you had to fly to Annette Island, and fly by float plane to Ketchikan. Anyway, I arrived in Ketchikan and waited around several days in real bad weather waiting to fly to the site.

Swent: Where exactly is the site?

Smith: It's on the mainland, and it's about forty-five air miles east of Ketchikan. It's a place called Quartz Hill. That's the name that our geologists put on the project. I'd just like to mention that waiting around to fly from Ketchikan to the site in heavy rain, I quickly became aware of the fact and appreciated the fact that if you want to fly someplace in Southeast Alaska, you wait until the pilots want to go. [laughs] You don't rush them, because flying can be difficult in southeast Alaska.

Swent: What kind of plane were you flying to the site?

Smith: I think it was a Cessna single-engine float plane. To go there you flew to a place called Wilson Arm, which was a saltwater inlet or fjord, where the exploration and claimstaking crews were living in mobile homes located on a barge. Then you flew from the Wilson Arm to the actual Quartz Hill site by helicopter. In fact, that's the only way you could get in or out.

Swent: Did the company own this equipment?

Smith: No, it was all leased. Well, it was hired. It was under contract.

Swent: You had to get those mobile homes and barge and everything up there too.

Smith: Yes, I think they were all loaded on the barge and taken right to Wilson Arm from Ketchikan. I don't know the details, but I'm sure that's the way they did it.

Swent: Was this under the exploration department?

Smith: Yes, the exploration department was running the program. And I was helping them supervise just the claimstaking activities. In fact, when I was there, Jackie Stephens took me around the properties and showed me the various mineral outcrops and we had a general view of the claimstaking program. Then we planned how that claimstaking program would go forward, with particular attention to posting the notices of location on these claims. That's your notice of your claim.

Swent: Had this ever been staked before, or were you the first locators?

Smith: No, it had not been. In fact, our staking crews were given instructions to observe and report any evidence of any human activity on the property, and they found none at all. I might say that in southeast Alaska, with the heavy rains they have, activity could be obliterated over the years, but we don't think anybody was on the property before. Although we do know that there were Alaska natives that occupied those fjord areas many years ago.

I just want to point out that in posting the notices, we had to pay particular attention because the state of Alaska regulations and the federal regulations are different. We had to plan it so we complied with both of those.

Swent: What's the difference between them?

Smith: The place on the claim where you post the notice of location.

Swent: Specifically what? You do it on the corner sometimes.

Smith: Yes. Federal regulations require that you post the notice on the center line of the lode claim, at the point of discovery, whereas the Alaska statutes require that you post them at one of the corners, so we had to post them at both. It was a procedure that we had to follow.

Swent: And this was a lode claim, although your original awareness of it must have been, as you said, from float.

Smith: That's correct. The geologists found the anomaly by picking up stream sediment samples and analyzing them. They found float, which is just the rock material in the stream beds, in which they could observe, visibly observe, molybdenite. They also observed

rock in place, where they saw visible signs of molybdenite. In the present day it's very unique to be able to walk onto a property and pick up a rock that shows visible mineral of value. Just about all of those type deposits have been discovered, at least in the lower forty-eight. So it was very, very unique and a very exciting time for me to be able to be a part of that and help in the project. But it is essentially a lode-type deposit. It is not what you'd call a placer-type deposit.

Swent: And for the staking, you literally put a wooden stake in the ground, right?

Smith: At all four corners of the claim, and at the centers of the end lines, and at the point where you make the discovery you post a notice of location.

Swent: If you're on the side of a cliff, this can be pretty awkward.

Smith: You have to locate witness corners to do that. And that is rough terrain. Yes, very rough.

Swent: Heavily wooded and very steep. No trails:

Smith: Right. A lot of it was done with helicopter, as was the subsequent drilling.

Swent: Were you working only a few months of the year?

Smith: They worked that summer, really, and got the claimstaking all done that summer.

Swent: How large an area?

Smith: It wasn't summer; that was in the fall, really, but they did finish it. How large an area? Oh, initially I would sort of guess it was maybe two square miles, something like that. They located subsequent claims the next summer.

Swent: Did you have to go into Juneau or someplace to follow up on it?

Smith: Actually, we had an engineering contractor surveying out the claims and looking after the posting of the notices. We prepared all the notices of location. They were recorded, in Ketchikan. By the end of the 1975 drilling season, which was the following year, U.S. Borax knew they had a significant mineral deposit.

Swent: What kind of drilling were you doing?

Smith: It was core drilling with diamond core bits.

Swent: Was this also contracted out?

Smith: Yes, it was. And based on that drilling, U.S. Borax announced our discovery of 100 million tons grading 0.2 percent to 0.35 percent molybdenum disulfide in the city of Ketchikan in March 1976. These results initiated our efforts to acquire an access road for the project area, because we knew access solely by helicopter was going to be important to lessening the risk of carrying out this project, and we knew that we'd need a road to subsequently remove a bulk sample from that deposit for future metallurgical tests. And at that time we commenced the mineral surveys of our claims, which is the first step for patenting the claims. I guess that was in the summer of '76 we did that. The announcement in Ketchikan and that discovery initiated the environmentalists' oppositions to our project.

Swent: How was this announcement made?

Smith: It was made in Ketchikan, a public announcement.

Swent: Newspaper? Radio?

Smith: No, no. It wasn't first announced in the newspaper; Carl Randolph and several other U.S. Borax people including the exploration people went to Ketchikan and had a luncheon with a number of local people in Ketchikan and publicly announced the discovery and generally outlined the work that U.S. Borax would be doing in the general area over subsequent years.

Swent: What people in Ketchikan?

Smith: I think the local newspapers, the local radio stations, the television stations, and the city council and the mayor--those people we thought we should advise of the details of the project.

Swent: Did they have a Chamber of Commerce?

Smith: Yes.

Swent: Were there any mining associations or organizations yet there?

Smith: There is the Alaska Miners Association, yes, which had subgroups in Ketchikan and Juneau and other places. I think some of those people attended as well. I haven't looked at the guest list for a long, long time.

Swent: Had you made any contact with legislators yet?

Smith: No, not that I remember, but we did shortly thereafter. The local legislators were, of course, invited to that luncheon. I'm talking about the state legislators.

Then shortly thereafter, in August of 1976, I was made assistant manager for environmental affairs. The department was managed by a long-time friend named Dean Lemon whom I had known at Boron. Dean was scheduled to retire in 1978 and I was assigned to replace him, so that sort of changed my job quite a bit.

Manager, Environmental Affairs Department: Legislative Struggles

Swent: Was there awareness at the top levels of the company of how serious this opposition would be that time?

Smith: Yes, I think so. Not to the degree that came about, but they knew that they were going to be opposed by the environmentalists, and they, the environmentalists, made that very obvious at the outset. We didn't know at that time what they were going to do.

I should say that from that time forward until about 1980, I and a number of U.S. Borax people became deeply involved in the environmental legislative affairs of this project. It became a life-and-death struggle. We had become aware of the fact that the environmentalists were determined to kill the project, and we were doing everything reasonably possible to protect that mineral resource.

I might say that despite all this environmental opposition, I knew then and I strongly believe to this day that Alaska's economic and social well-being could be greatly enhanced by discovery and development of its mineral resources. I have to believe they have a large number of mineral resources that have yet to be found. Alaska is so big, as you well know, that there's no possibility of people having even looked at a small percentage of it for its mineral content. And much of it is in a mineral trend belt that is known by most geologists. I stress this because I know the nation needs minerals to supply future generations and to protect the general interest of the public.

I express concern that this may not happen unless the general public begins to realize that mineral deposits are important and that they can only be developed with some impacts on the environment. The impacts can be minimized but they cannot be avoided entirely, just like you can't build a community or a road or do very much at all, build your own house, without having some

impacts on the environment. It's a realization that everything impacts the environment and you have to come to some reasonable balance on those issues.

U.S. Borax began mineral exploration in Alaska in 1971 with the full understanding and acceptance of the fact that exploration and future developments would have to be conducted with great care for the environment. I'm proud to say that we did that. Our problems were not in complying with this policy, or with state and federal regulations. Our problems were complying with the wishes of the special-interest groups, the environmental groups who used their legislative influence, the regulatory process, and legal maneuvers with little merit to delay and stop the project.

The primary effort of the environmentalists, that is, the Southeast Alaska Conservation Council and the Sierra Club Legal Defense Fund, to stop the project, was the promotion of (d) (2) legislation that would put the Quartz Hill project in a monument or a wilderness area--both very restrictive land classifications. The (d) (2) legislation derives from section 17 (d) (2) of the Alaska Native Claims Settlement Act, which states in part--and I would like to read this because it's a little detailed--that "the secretary of the interior is directed to withdraw up to but not to exceed 80 million acres of unreserved public lands which the secretary deems are suitable for additions to or creation as units of the national parks, forests, wildlife refuge, and wild and scenic river systems," and that these lands were to be withdrawn within nine months of enactment and none of it was to be in southeast Alaska. Southeast Alaska was being studied for classification under the Tongass Land Management Plan.

Swent: Was Quartz Hill in that southeast Alaska district?

Smith: Yes, it is.

Swent: So it should not have been--

Smith: That's right. It should not have been part of the (d) (2) legislation.

Swent: But somehow it became part of it.

Smith: That's because Congress can do anything it pleases, really. Now, I understand that the first (d) (2) bill to conform with the Alaska Native Claims Settlement Act was proposed in 1975 by Rodgers Morton, who was secretary of the interior at that time. This bill conformed to the intent of Section 17 (d) (2) of the act in that it didn't include any lands in southeast Alaska. As I mentioned earlier, our announcement in Ketchikan prompted the

environmentalists to propose (d) (2) land classification in an attempt to stop the project.

Alaska National Interest Lands Conservation Act##

Smith: And in January 1977, ten months after our announcement and at the beginning of the 95th Congress, Congressman Morris Udall of Arizona introduced a (d) (2) bill that proposed land classifications for all of Alaska.

Swent: Including southeast Alaska now.

Smith: Correct. At the time, Ted Whitsell of the Sierra Club in Anchorage publicly took credit for drafting the bill. They proposed 146 million acres of wilderness, including a 3.2-million-acre portion of the Tongass National Forest in which Quartz Hill is located. This 3.2-million-acre portion was to be called the Misty Fjords Wilderness Area.

Swent: A wilderness area is even more restrictive than a national monument, isn't it?

Smith: Correct. This bill was called the Alaska National Interest Lands Conservation Act or ANILCA, or H.R. 39. It completely ignored U.S. Borax's announced discovery at Quartz Hill, and it completely ignored the work of the Forest Service and the community efforts involved in developing a Tongass Land Management Plan. In May 1978 the House passed an amended H.R. 39, the Udall bill. Our efforts to educate the Congress to the importance of Quartz Hill and the adverse impacts of this bill on the Quartz Hill project may have kept the membership from putting the Misty Fjords area in wilderness, but they did the next worst thing: they withdrew it from any new mineral entry, which in effect was just as damaging to the Quartz Hill project.

Swent: Although you were already entered there.

Smith: I know, but you have to realize that we had not, at this time, which was in 1978, we had not completed all of our drilling of all the claims. It takes a lot of time to do that.

Swent: Was it patented yet?

Smith: No, and we had not filed discovery on all the claims we wanted to drill, nor did we have the road, nor did we have all the other facilities necessary.

Swent: So by withdrawing it from mineral entry--

Smith: --it effectively would have stopped the project, would have deterred these actions.

Swent: What sort of amendment were you successful in getting?

Smith: None, no meaningful amendments.

I should point out that the Senate Energy and Natural Resources Committee reported out its (d) (2) bill in October 1978. This bill would have placed the Quartz Hill portion of the Misty Fjords area in a national monument and the balance in national monument wilderness, or special management. Neither one of these bills would have allowed Borax to go forward. Fortunately, due to time constraints at the end of that Congress--the 95th Congress--and a lack of unanimous consent to go forward, the Senate-House conference didn't take place, so the bill didn't pass.

Swent: What precisely were you doing now? Were you in Washington at this time?

Smith: A number of us were, and we were lobbying all the House members and Senate members that were on the various committees and we thought important.

Swent: Who were some of the people you were talking to?

Smith: Oh, I couldn't name them all, really.

Swent: Well, some of them.

Smith: Some of them? We talked to [Congressman Morris] Udall, we talked to [Congressman John] Seiberling, we talked to Senator [Henry "Scoop"] Jackson, Senator Paul Tsongas, Senator Ted Stevens of Alaska, Senator [Mike] Gravel of Alaska, Congressman Don Young of Alaska.

Swent: When you say you talked to them, you personally went to their offices?

Smith: Yes, some of them we talked to personally. When I say "we," that could be Carl Randolph in most cases, or myself, or we talked to some of the staff members. You don't always get to see the congressmen involved. A president of a company has a better chance of talking to the legislator directly than does someone else.

Swent: Did you have any allies in this? Was U.S. Borax all alone?

Smith: Yes, we were. Well, no, we were not alone. We did have allies. We had the Alaska Miners Association, we had the Alaska Timber Association, we had the Alaska Resource and Development Council, we had another group that was called CMAL--the Coalition for Management of Alaska Lands or something like that. I've forgotten what it was really called. Yes, we had a lot of allies.

Swent: Some of the unions were on the Sierra Club side. How did that come about?

Smith: I don't know. Really.

Swent: Did you talk to labor at all?

Smith: Some, yes.

Swent: I would think that they would be on your side.

Smith: Well, I know that we reviewed that issue very carefully and we did talk to some union people, but we felt that we probably couldn't win their support.

Swent: Your Borax Workers' Union wouldn't apply in this case?

Smith: We didn't really ask them to directly. We made our employees aware of the problem, the importance of the Quartz Hill project, and made them aware of the facts, and suggested if they wished to write their congressmen we would be pleased if they did, and I think a number of them did that.

Swent: That would just be California congressmen, though, wouldn't it?

Smith: Yes. Well, they could write to others, too. They could write to Senator Jackson, who was chairman of the Senate Energy and Natural Resources Committee, they could write to Morris Udall, they could do that, because these gentlemen held positions that influenced all the states.

Swent: But I gather that you felt you were carrying the fight pretty much alone. Certainly on Quartz Hill you were.

Smith: Yes, we were, and of course we couldn't very well expect too many people to join in our specific issue. We tried to support the other people where we could, particularly the timber industry.

Swent: The oil industry?

Smith: No, it wasn't really directly involved. It's hard to get some of these people to participate in your legislative fights because they have so many of their own, and they can only go to their friends so often.

Swent: So you were spending time, I gather, in Ketchikan, and also in Washington?

Smith: Yes.

Swent: Juneau?

Smith: Mostly in Washington during this period of time. That was really the important issue. And as I mentioned earlier, at the end of the 1975 drilling program, we needed an access road and we started gathering the environmental data to do that. After twenty months of numerous draft environmental impact statements on the road permit application, a road permit application was issued by the U.S. Forest Service. It was a primitive-type road to what we referred to as the Keta River road route. The Keta River and Hill Creek route. That was one of two access routes to the property.

I'd like to say that the delay in getting the road permit was not really the fault of the Forest Service but the need for the Forest Service to build a completely defensible case against the challenges they knew they were going to incur. Despite this effort, with all these delays in developing a good case and reviewing all the environmental issues, the Sierra Club Legal Defense Fund filed an administrative appeal to deny the permit.

Swent: The Forest Service was sort of on your side, you felt?

Smith: I wouldn't put it quite that way, really. I thought the Forest Service in southeast Alaska did an admirable job, throughout all my dealings with them, trying to fill all the responsibilities of their job. That is not an easy task when you have opposing factors. The Forest Service probably sympathized with us a little because they knew of all these additional requirements they were asking us to fulfill and the detail of the environmental impact statement.

But what I wanted to point out was, this appeal process was denied by the Tongass Forest supervisor and the regional forester and the chief of the Forest Service. Normally, under the appeal process, that would have stopped at that point, but the then-assistant secretary for agriculture, Rupert Cutler, exercised a seldom-used right to review this appeal. He overturned the decisions of his regional forester and chief, and granted the

appeal. In my view, this was a gross misuse of his position. I'd like to emphasize that point.

But that wasn't the end.

Swent: Did you ever talk to him directly?

Smith: No, I don't recall that we did, no. And of course, in the appeal process, you have hearings before the chief, but you don't have hearings before the assistant secretary. He just looks at it and says yea or nay. But I don't understand how he could overturn those decisions of all those people within his staff.

Misty Fjords National Monument

Smith: But I think you get a little sense of the issue when I mention that prompted by Congress's failure to pass a bill, President Carter put 56 million acres of Alaska, including the Misty Fjords area, in a national monument, a very protective land classification. The president's action was on December 1, 1978, the same day the assistant secretary of agriculture, Rupert Cutler, announced his decision to overturn the rulings of his professional administrators and withdraw the temporary access road permit for bulk sampling.

Four days later, on December 5, 1978, the secretary of interior, Cecil D. Andrus, using Section 204 (b) (1) of the Federal Land Policy Management Act, used it to withdraw 11.2 million acres of Alaska, including the Misty Fjords area, in which, of course, Quartz Hill is located.

Then on January 4, 1979, and completely ignoring the previously mentioned Tongass Land Management Plan and the years of work that had gone into it, the Misty Fjords area was included in an administrative RARE-II [Roadless Areas Review Evaluation] endorsed wilderness.

So you can see they did just about everything they possibly could to us. In my opinion these actions demonstrated the political power of certain environmental groups during the 95th Congress and how openly and arrogantly they used their power for their own special purposes.

For ourself, each summer's drilling program had provided more encouraging results, which were offset by damaging administrative actions and legislative proposals.

By this time, U.S. Borax had $7 million invested in the project, and we had an estimated 700 million tons grading 0.15 percent molybdenum disulfide. We had what we believed was a world-class, major mineral deposit that was in an area designated a national monument, an area withdrawn from any new entry, and an area proposed for wilderness.

Our future was essentially limited to those claims in which we had mineral intercepts which would validate a mineral discovery. We were prohibited from continuing to drill on those claims in which we had not completed discovery. We were also stopped from any possibility of acquiring millsite claims or land-use permits for a millsite, overburden disposal, mill tailings disposal, power plant site, utility rights of way, mill tailings disposal, power plants--all the other things necessary, all the other land necessary, to develop a mineral project. We had an ore deposit but little hope of being able to acquire adjacent lands for its development.

We felt we had really two choices. We could litigate our rights under the mining law, or we could seek a legislative solution. Since litigation is seldom a very good alternative, and since Udall had reintroduced his H.R. 39 in the 96th Congress, we decided we would take our case back to Congress. Our objective was, one, to remove the Quartz Hill area from the protective land status of a national monument; or two, to acquire a legislative right of access and right to develop and operate the Quartz Hill deposit.

H.R. 39, as reintroduced by Congressman Udall, would have affected 140 million acres or almost 40 percent of the state of Alaska and would have placed 69 million acres, almost 20 percent, in wilderness, including Quartz Hill. Faced with this bill, U.S. Borax put together a task force of about twelve people. It was headed up by Carl Randolph, president of U.S. Borax at that time, and myself, and included people who were familiar with the project. It was guided by our consultant in Washington, a fellow named Jack Ferguson. We worked in teams of two people and took our case to every member of the House.

Swent: Was Ferguson a professional lobbyist?

Smith: Correct. As I mentioned before, you generally have to talk to the staff of these people, but we would go to every office, every congressman's office. Fortunately, many of the congressmen recognized the equities of our position, and Udall's bill was defeated in the House.

But this was only a temporary setback for Congressman Udall and it was only a temporary reprieve for U.S. Borax, because Congressman Udall quickly teamed up with Congressman Anderson of Illinois to introduce a substitute bill which was called the Udall-Anderson H.R. 39. It passed the House on May 16, 1979, but it's interesting to note that the bill would have affected 155 million acres or 41 percent of Alaska, and would have placed 69 million acres, or 18 percent of Alaska, in wilderness, including Misty Fjords, where Quartz Hill is located. The substitute wasn't much different than the original bill. The difference was the political power of Congressman Udall and Congressman Anderson. Although our legislative efforts in the House had won the attention of a number of legislators, it did not win their votes when the political pressure was on.

Swent: You were working at the same time with both the House and the Senate?

Smith: That's correct, yes. At different times, sometimes, depending on the schedule of the bill in each house.

Swent: In the House, were you working not only with the committee members, but with the entire House?

Smith: Yes, that's correct. I wouldn't say "working with" them is the correct phrase. We were contacting all the House members or their staff to advise them of the importance of Quartz Hill and the adverse impacts of this legislation on that project.

Swent: What sort of argument were you using? Obviously it was an impact on U.S. Borax, but what if they said, "I don't care about U.S. Borax," then what did you say?

Smith: We weren't arguing the case just for U.S. Borax, although that was the important issue, particularly when you have as much money invested in a project as we had, and the fact that we had valid rights under the mining law, that we had entered into this project under the terms of the mining law, which should, in my opinion, obligate the federal government to honor those rights through exploration and development and all the other conditions necessary to see the project go forward. I don't think legislators themselves would invest maybe $100,000 in constructing their own home if they thought halfway through it the federal government would come in and say, "Oh, you can't have this piece of property." We had a property right with the mining law.

Swent: You were arguing for fundamental justice.

Smith: Right. Correct. That's right. We were also arguing the case that this project was important to the natural resource base of the nation.

Swent: For molybdenum.

Smith: Right. And we were arguing that the Quartz Hill area was not of significant environmental importance in Alaska, because although it is very pristine and very beautiful, it is very ordinary in southeast Alaska. You would have to see it to understand that, but that happens to be the case.

I might say here that the Senate Energy and Natural Resources Committee was working on their own (d) (2) bill. This bill would have affected 96 million acres, a little less, and 37 million acres of wilderness. Fortunately, U.S. Borax was allowed to negotiate certain compromise language in that bill that allowed for the development of Quartz Hill in a 90,000-acre wilderness-free national monument, to be administered by the Forest Service.

Swent: Who helped you to get that?

Smith: I think the credit must go in large part to Senator Jackson of Washington, who was chairman of the Senate Energy Committee; to Senator Tsongas of Massachusetts, who was managing the Senate bill; and to Senator Stevens of Alaska, who worked very diligently to preserve the interests of the state of Alaska.

Other people deserve credit as well, and I might preface that by saying that the participants to these negotiations that we were allowed to conduct were the Alaska coalition--primarily the Sierra Club--U.S. Borax, the State of Alaska, the U.S. Forest Service, the Department of the Interior, and committee staff members. The negotiations were managed by a fellow named Roy Jones, who was with the staff of the House Committee on Interior and Insular Affairs. I would like to give Roy Jones credit because I thought it was his fairness in managing those negotiations that really helped to come up with a reasonable compromise. I would also like to express my thanks to Steve Silver, who was on the staff of Senator Stevens; and Bill Horn, who was the minority staff member on the House Interior Committee.

Swent: So these negotiations were with both House and Senate people?

Smith: Yes, correct.

Swent: This was for the compromise bill, then?

Smith: Right. It was done under the authorization of Senator Jackson, chairman of the Senate Energy Committee, and the approval of Senator Tsongas, who I just mentioned. But Roy Jones was with the staff of the House committee. So all parties were in these negotiations.

Swent: Where were they conducted?

Smith: They were conducted in the Senate Energy Committee meeting room in the Dirksen Building.

Swent: How long did that take?

Smith: It took about two weeks, and of course, I was the principal negotiator for U.S. Borax. I would like to say that it took a lot of preparatory work and a lot of debate, and it was probably two of the toughest weeks I ever put in for U.S. Borax.

Swent: Even harder than stacking bags in boxcars?

Smith: [laughs] Oh, yes. The mental stress can be a lot harder, you know. [laughter] Your muscles relax when they get home at night, you know. Mental stress does not. It was a very, very tough time.

In October 1980, the Senate Energy Committee reported the (d)(2) bill with the Borax amendments intact, where the negotiated language was included in Section 503 and 504 and 505 of the bill. I think it's kind of an interesting note that U.S. Borax is named three times by name in those three sections. It isn't very often that you see an act of congress in which a company's name appears.

Swent: So this is Senate Bill 9?

Smith: Right, yes. That is correct.

The sections took a lot away from Borax. It placed overly restrictive regulations on the development of the deposit. It was hard to accept, but we felt we really didn't have any choice. And as I said, the worst part of that was that the Quartz Hill area is sort of ordinary in southeast Alaska. It doesn't really compare to what is referred to as the Granite Fjords area, which the Sierra Club used to promote the opposition to the project.

Senate Bill 9 was passed in August by the full Senate with the Borax sections intact, but the problem still remained, to a degree, in that the Senate bill had to be compromised with the House bill --that is, the Udall-Anderson H.R. 39--and these bills were vastly different regarding Quartz Hill. The outlook for that conference

didn't really look very good because there was a lot of opposition to the Senate bill.

Swent: Excuse me. I thought that you'd already had this conference.

Smith: No, this is the conference between the Senate and the House of Representatives.

Swent: I thought that's what we were talking about.

Smith: No, no. That conference and those negotiations were just on the Senate bill.

Swent: I see. And yet you had people from the House Interior Committee staff.

Smith: Right. That's not unusual if the Senate invites them over to participate, yes. Now, the people that participated in that conference on the Senate bill, S. 9, they had some influence. However, certain Senate members and certain House members were to be subsequently selected to negotiate the differences between the Senate-passed S. 9 and the House-passed H. R. 39.

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Smith: As I was saying, the Senate members and the House members which would be selected to review the two bills and see if a compromise could be arrived at would be influenced, I'm sure, by the negotiations that had gone forward on the Senate side, but there was lots of opposition to the Senate-passed bill, and there were no assurances that what would come out of that conference committee would have the sections that U.S. Borax wanted, or all of them.

Swent: So your two weeks of hard work might have been fruitless.

Smith: It was all very worthwhile, and particularly in view of subsequent events, but we had no assurances, and we knew that the issue was still before us and that the conference could come out with language that would essentially damage the project. We knew that. Knowing that, there was still some concern, but this all changed after the November 1980 elections when Ronald Reagan was elected president and the Republicans won control of the Senate. The strong opposition by House members to S. 9 was suppressed, at least in my view, by the fact that they realized that they may not do as well in the subsequent Congress as they could by accepting the language of S. 9. So the Congress got together and they changed S. 9 to H.R. 39, and passed it by voice vote on November 12, 1980. There were only a few congressmen on the floor of the House, and for me it was a great moment of achievement.

Swent: You were there?

Smith: Yes. I should say it was also somewhat of an anticlimax to a long and hard-fought battle and after all the four years of work on the bill and many, many trips to Congress and many miles of walking the halls of Congress to meet with staff and legislators on the bill. It's hard to believe that probably one of the most significant land bills that Congress ever passed was passed by a handful of congressmen, viewed by maybe a dozen people in the gallery.

President Carter signed that bill on December 2, 1980, and Jack Ferguson, our consultant in Washington, and I attended. I might say we were among the few people at that session who had won a little and lost a lot. The room was mostly full of people who had won a great deal but were still unhappy that they didn't get it all.

Swent: You have a copy of this up here on the wall.

Smith: That is the bill, yes.

Swent: That's the bill itself?

Smith: That's the first page and the last page of the bill.

Swent: Signed by--

Smith: --Jimmy Carter and Tip O'Neill and I think it's Warren Magnuson. He was a senator from the state of Washington.

Swent: So there it is, the first and last pages. A lot of work. Did these Sections 503, 504, and 505 remain?

Smith: Yes, they did. You see, the bill that the Senate passed, which included those sections, was adopted. Just the name, the number, was changed, and the House passed it totally.

Swent: So you did win a little.

Smith: Yes, right. The signing of the bill was, of course, a major accomplishment for U.S. Borax. We could proceed with development with security of tenure now, but we were not pleased with the outcome either, because it didn't give U.S. Borax anything but these special restrictive regulations. We had already had the right to--the valid right, I should say--to develop these properties. So even though it was nice to realize that we could proceed, we weren't at all pleased with the way Congress had

treated U.S. Borax and its property interests. That is, Congress in total.

I feel that an understanding Congress would have returned the Quartz Hill area to multiple use. I feel strongly about that. Retaining the Quartz Hill area in a national monument, the one established by Carter, was a poor land-management decision, and it was influenced, I think, by the desire of many congressmen to please the environmentalists. This decision indicated to me that the majority of Congress either didn't understand or chose to ignore the government's commitments and obligations to the mining law and the long-honored property rights on which our nation was founded. That was a major disappointment for me, the realization that congressmen can make these decisions with little regard to what they are overturning.

The act was unjust and a sad moment for the state of Alaska as well, and its congressional delegation. Congress ignored Alaska and its representatives and passed this land management plan for Alaska based on the special interests of environmentalists and the political efforts of legislators far removed from the conditions and the realities of the forty-ninth state. It was also a sad moment for the Congress of the United States in that it damaged a precedent of enacting legislation strongly opposed by the legislative delegation representing the one state affected. I believe that was one of the few times that Congress has ever done that.

Although the outcome was not what Alaska wanted or deserved, Alaska can be proud of the courageous efforts of their Senator Stevens and Congressman Young. Despite the votes against them, they fought a noble fight to protect their state and constituents. They put the cause above their own self-interest, and I will always admire them for having done so. I'd like to say that U.S. Borax can be proud of its fight also. It can be particularly proud of the courage and dedication of its president at that time, Carl Randolph, and I am proud to have fought the fight with him.

In early 1981, U.S. Borax began the efforts of complying with ANILCA, the new bill, doing the engineering concepts for development and preparation of an access road environmental impact statement again. During that summer they--the mine development crew--began the work on an adit to collect a representative bulk sample. Shortly thereafter, the Southeast Alaska Conservation Council filed suit against U.S. Borax--or really against the U.S. Forest Service, I should say--claiming that the bulk sampling was being done prior to the issuance of the EIS on the bulk sampling road, which was not in compliance with the terms of ANILCA. This issue went to court and it took some time, but SEACC finally won

and the bulk sampling was not completed until the road was completed. I might say that access road was from Wilson Arm up the Blossom River route to the project--the other route that we had considered.

Swent: What was the difference between the two routes?

Smith: One was shorter. The Blossom River route was the shorter route, but it was primarily advocated by U.S. Borax because it avoided what we considered to be rather severe avalanche trails that would be encountered going up the Hill Creek route, which was the other route under consideration. We felt that that would be a hazard to the project and to the employees that had to use that road, and we preferred this one. The environmentalists preferred the other route because they felt that route would possibly put the tailings from the project into what is called Boca de Quadra, which was a larger and deeper fjord.

Swent: Let me see. The environmentalists preferred the Blossom River route?

Smith: No, the Hill Creek. It was Keta-Hill Creek route. They wanted the tailings to go into the Boca de Quadra fjord, which was the other fjord, because it's much larger and deeper.

Swent: So they preferred that.

Smith: Yes.

Swent: And you preferred the Blossom River route.

Smith: Yes.

Swent: And the tailings going into Wilson Arm?

Smith: Right. Well, the tailings could still go into Boca de Quadra, but we would have had to drive a tunnel some distance--about six miles--through the mountain to convey it over there. Although in the final analysis, we did persuade all the parties to put the tailings in Wilson Arm-Smeaton Bay, based on the fact that the cost difference was major and the environmental difference was rather minor.

Swent: So you did get the access route that you wanted?

Smith: Well, yes and no. It was kind of turned--. I was going to cover that just a little bit later, if you don't mind.

Swent: Okay.

Smith: After several efforts of SEAC to deny Borax the access road permit, it was issued and construction was started in 1982 and was completed in 1983, and the bulk sampling was completed in time to start transportation of the sample, which was five thousand tons, to Wilson Arm for transportation by barge and railroad to the Hanna Mining Company for metallurgical tests.

VII VICE PRESIDENT FOR GOVERNMENT AND PUBLIC AFFAIRS

I became vice president for government and public affairs in 1982. Since the opening of the access road, I should say that the role of myself and the role of the government and public affairs department [of U. S. Borax] was in assisting in the handling of the environmental issues and in building public and governmental support for the project. The primary issue was the placement of tailings, which we just discussed. The two locations were Wilson Arm-Smeaton Bay and Boca de Quadra--both deep fjords. As I mentioned, the U.S. Borax position always was that the cost differences far outweighed the environmental differences. The environmental differences were essentially that Boca de Quadra was deeper; therefore it would be safer. Our position held up through the state and federal agencies until a recent EPA decision to go along with this was overturned by an interim administrator of EPA's Region X office. So to answer your question regarding access, yes, we got the access route we wanted but not the related tailings disposal.

I've had little direct involvement in the Quartz Hill project since 1988, '89, and I sort of hesitate to predict the future of the project, but I can express some concerns that I have had as a result of my work on the project. Primarily, I'm concerned about the environmental goals that are being used to promote environmental associations at the cost of overall national interests. I believe the environmental contests are often promoted more for the purpose of funding the associations in the fight than for the well-being of all interested parties. I think everyone wants a clean environment and a safe environment and good health, and we should all strive for such goals. However, such goals cannot be achieved by unreasonable and unsound policies.

In my opinion, the problem is the majority of the general public and our representatives in government do not understand the importance of minerals--I know I've repeated this several times--the importance of minerals to society and the importance of minerals to achieve a safe environment and good health. Hopefully this will change; otherwise, I do not believe very many mining

companies will incur the high costs and the high risks of mineral exploration projects.

I worked on a number of public and governmental and legislative issues during my last thirteen years with U.S. Borax. California is a very active state in introducing new bills, and many of them would have had an impact on Borax, so we kept pretty busy.

Swent: Would you like to mention specifically any of those?

Smith: It was primarily environmental bills and hazardous waste fee bills and hazardous disposal pond legislation, that sort of thing. All bills that if the legislators involved did not understand the impact of the language of the bill on the actual operation of a mining company, particularly U.S. Borax, they could easily pass legislation that they didn't want to, that they had not intended to, so it had become important to educate them and provide them with the information on which to make decisions.

Swent: I think you had to do a lot of work on dust control?

Smith: I didn't in particular, no.

Swent: You didn't work on that legislation?

Smith: No.

Swent: But the company, at Boron, has had to do an awful lot of work on dust abatement, haven't they?

Smith: That's correct. They have. The air bills in the state and the federal legislature are, I think, presently being reauthorized, so it wasn't some legislation I worked on particularly. I worked more on the hazardous waste and the hazardous waste fees and that sort of thing.

Swent: What sort of hazardous waste do you have?

Smith: We don't really have hazardous waste because we don't have process waste per se at Boron, but we do have tailings from the milling operations which are sent out to evaporation impoundments. It's material that has a small quantity of borates left in it. Since we have tailings impoundments at Boron we had an interest in all legislation dealing with impoundments.

Swent: This is state legislation?

Smith: Correct. And I had mentioned before that I was elected vice president for government and public affairs in September 1982, and I held that position until my retirement at the end of 1989. Somewhat in summary, I'd like to say that during my early years of my career I never really was very much interested in the political process. I was concerned with the result, but really not the process, and I guess this was due to my engineering background, and maybe some engineers will derive some benefit from what I have to say. My lack of understanding of these issues led me to believe that legislators made decisions based on facts and data and information, and I found somewhat as a shock to me that many times the facts and information have very little to do with the outcome. I suppose a lot of people know that already, but I didn't at the time.

Having learned those facts, it sort of placed a heavy burden on me to effectively present U.S. Borax's case with legislators, providing them with all the information and data that they would need to evaluate our position and, if they elected, to argue our case for us. I found that was a very effective way to carry out the governmental activities of U.S. Borax. I think, although we did not win everything we wanted to, we certainly minimized our losses, and I think that's about the best Borax could have expected over the last fifteen years. In fact, I would venture to say that anyone getting into legislative work should go in with the realization that they are never really going to win; they are only going to be able to minimize their losses, and the more they minimize those losses the more effective they've been, really. I don't think anyone ever wins in the political process; you have to accept compromises.

I would like to say that if my career can be judged as a success, I believe it was a result of hard work, dedication, loyalty to the company and people I worked for and with, and a willingness to speak out on issues of importance. I had the work habits and the determination, and the company and I built that loyalty, and I guess that my willingness to speak out on an issue is just something I couldn't avoid doing. That is probably evident by what I've had to say in this oral history. I believe those traits helped me achieve the positions I have held with the company and later the associations I belong to and helped manage. I hope my knowledge of some of the events of U.S. Borax will be of historical importance, and I very much hope my observations and opinions will be of value to the mining industry and the national interest. That's how I'd like to conclude.

Swent: Thank you very much, Gene. This has been a pleasure.

Transcriber: Noreen Yamada
Final Typist: Christopher DeRosa

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